



Parliamentary Debates

(HANSARD)

FORTIETH PARLIAMENT
FIRST SESSION
2017

LEGISLATIVE COUNCIL

Thursday, 15 June 2017

Legislative Council

Thursday, 15 June 2017

THE PRESIDENT (Hon Kate Doust) took the chair at 10.00 am, and read prayers.

SHIRE OF ESPERANCE — LOT 12 KIRWAN ROAD — LANDFILL SITE

Petition

HON COLIN DE GRUSSA (Agricultural) [10.02 am]: I present a petition containing 304 signatures, couched in the following terms —

To the President and Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled.

We the undersigned residents of Western Australia are opposed to the landfill site proposed by the Shire of Esperance for Lot 12 Kirwin Road (via Merivale Rd), Esperance. Our information based on expert hydrological sources, shows that it poses significant environmental risks, in particular to RAMSAR wetlands of international importance.

A due diligence report produced by contracted Consultants, concludes there are no constraints on the waste facility being constructed, and has been accepted by the Shire of Esperance. This is contrary to our understandings. Based on the information contained in the due diligence report which the Shire will supply to the EPA, the EPA may decide that the potential environmental impacts may not be sufficiently significant for the EPA to assess the proposal formally enabling the Shire to proceed with the landfill site.

Your petitioners therefore respectfully request the Legislative Council to ensure that the highest level of environmental scrutiny be place on the proposed landfill site.

And your petitioners as in duty bound, will ever pray.

[See paper 273.]

PAPERS TABLED

Papers were tabled and ordered to lie upon the table of the house.

PILBARA PORT ASSETS (DISPOSAL) REPEAL BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Hon Robin Chapple**, and read a first time.

Second Reading

HON ROBIN CHAPPLE (Mining and Pastoral) [10.05 am]: I move —

That the bill be now read a second time.

On Tuesday, 24 November 2015, notice of motion was given in the other place by the member for Cottesloe, the then Premier, to introduce the Pilbara Port Assets (Disposal) Bill 2015. The bill then proceeded to be debated in that chamber commencing on the following day.

The long-term lease of the Utah Point bulk handling facility, which was then a public asset vested in the Pilbara Ports Authority, was being prepared by the then government for divestment and sale. Utah Point, a part of the Port Hedland harbour, was one of the first assets announced for consideration as part of the then government's asset sales program.

The bill progressed through both houses of Parliament. In the Legislative Council, debate commenced via the second reading given by Hon Helen Morton, the then Minister for Mental Health, on Thursday, 25 February 2016, and was subsequently referred to the Standing Committee on Legislation by Hon Jacqui Boydell, member for Mining and Pastoral Region, on Tuesday, 22 March 2016. The committee was given the power to inquire into and report on the policy of the bill.

The committee was chaired by Hon Robyn McSweeney, MLC, and consisted of Hon Ken Baston, MLC; Hon Dave Grills, MLC; Hon Ken Travers, MLC, substituting for Hon Dr Sally Talbot, MLC; and me, substituting for Hon Lynn MacLaren, MLC. The committee invited submissions from interested parties on matters relating to the scope, purpose, policy and structure of the bill, and received nine public submissions. The Association of Mining and Exploration Companies, Dampier Salt Ltd, Atlas Iron Ltd, Brockman Mining Australia Pty Ltd, Consolidated Minerals Ltd and Mineral Resources Ltd raised many written concerns over the proposed sale.

In the public hearings, evidence was taken from a wide range of stakeholders with concerns over the proposed sale, with Mr Graham Short, national policy manager, Association of Mining and Exploration Companies, providing an overview of the mining industries' opposition to the legislation. After one extension of time to report, the Standing Committee on Legislation handed down its thirty-third report, "Pilbara Port Assets (Disposal) Bill 2015", on 25 August 2016.

The committee was not able to obtain conclusive information relating to various aspects of the disposal, including the retention value to be ascribed to the asset—that is, the estimated value of retaining a state asset compared with the amount obtained from disposing of the asset—and the details of the future access and pricing regime at the port, including port charges. The committee noted that these were important elements of the transaction and should be clarified prior to the disposal. The committee also identified specific clauses in the bill that should have been amended or clarified for the Legislative Council's information. The committee recommended that the bill be amended according to recommendations in its report. I urge all new members to review the legislation committee's thirty-third report on the Pilbara Port Assets (Disposal) Bill 2015 and the transcripts of industry evidence prior to debating this repeal bill. The report made 17 recommendations and three minority recommendations, and produced 12 findings.

After the handing down of the thirty-third report of the legislation committee on Thursday, 25 August 2016, the Legislative Council continued the second reading stage of the bill on Thursday, 15 September 2016, and went into Committee of the Whole on Tuesday, 20 September 2016, continuing until Thursday, 10 November 2016. The bill was read a third time on Wednesday, 16 November 2016, the day after the then Premier said in front of a large crowd gathered on the steps of Parliament that the government would take all its privatisation policies to the election.

The passage of the Pilbara Port Assets (Disposal) Bill 2015 took almost a year to debate and was then hurriedly passed, with the other place notifying the Legislative Council that it had agreed to the one government amendment made by the Council. That was on the last day the Legislative Council sat in the thirty-ninth Parliament. The Labor Party and the Greens opposed this privatisation legislation from the outset and unsuccessfully moved 18 amendments recommended by industry and the thirty-third report of the Standing Committee on Legislation, "Pilbara Port Assets (Disposal) Bill 2015".

The former Premier said he would take privatisation to the election and he subsequently lost that election, so it is only right that this draconian and industry-damaging piece of legislation, so roundly opposed by the current government and the Greens, be repealed.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and I table the explanatory memorandum.

[See paper 274.]

Debate adjourned, pursuant to standing orders.

CRIMINAL CODE AMENDMENT (INDUSTRIAL MANSLAUGHTER) BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Hon Alison Xamon**, and read a first time.

Second Reading

HON ALISON XAMON (North Metropolitan) [10.12 am]: I move —

That the bill be now read a second time.

The Criminal Code Amendment (Industrial Manslaughter) Bill 2017 seeks to introduce the offence of industrial manslaughter into the Criminal Code and to ensure that penalties for this offence mirror existing manslaughter provisions. Work is something that should be rewarding, enriching and the basis of our families', communities' and state's welfare and prosperity. Workplace laws should be fair and protect all workers from unjust treatment and unsafe conditions. Every worker has the right to a safe and healthy workplace and all workers are entitled to expect to be able to return home from work safe and well.

Unfortunately, this is not always the case; on average, one person is fatally injured in a workplace every 19 days in Western Australia. This tragic statistic has remained relatively stable over the last 16 years. Given the persistence of deaths and injuries in Western Australian workplaces, it is clear that reform is needed to address this unacceptable situation and to reduce the number of people dying during the course of their work. This bill seeks to implement an important component of this much-needed reform by ensuring that culpable employers are held responsible for workers' deaths. It overcomes difficulties in holding directors criminally responsible by explicitly creating an offence of industrial manslaughter.

Currently under the Criminal Code, it is difficult to prosecute a company for manslaughter. Furthermore, existing manslaughter legislation allows for the prosecution only of individuals who have directly caused the incident that has led to a worker's death. This bill means that senior managers will be liable if they make a decision that knowingly allows an unsafe workplace. If that decision leads to a fatality or injury, those senior officers can be prosecuted. The adoption of industrial manslaughter legislation will serve to elevate considerations of workplace safety in boardrooms. Introducing the ability for individual officers to be found liable expands responsibility for workplace deaths from the relatively abstract company level to the personal.

The need for the introduction of criminal offences to improve workplace health and safety, and their role as a deterrent, was identified by the "National Review into Model Occupational Health and Safety Laws" of 2008–09. The review noted —

Making non-compliance with a duty of care a criminal offence not only reflects the seriousness with which such conduct is regarded, but also reinforces the provision's deterrent effect.

This offence has precedent in other jurisdictions and is recognised in the United Kingdom and, closer to home, in the ACT. Further, the Queensland government has recently committed to introducing a new offence of negligence causing death, as a result of an interim recommendation from a review sparked by the tragic fatalities at Dreamworld and Eagle Farm last year.

There are three elements to the offence of industrial manslaughter that must be satisfied. First, this offence applies when an employee dies in the course of employment, or is injured in the course of employment and later dies. Second, the employer's conduct or omission must have caused the death of the employee. Third, the employer must have been negligent in causing the death of the employee. If these three elements are proven beyond reasonable doubt, the employer will be convicted of a criminal offence. Individuals will be liable for a maximum of life imprisonment and corporations will be liable for a fine of any amount decided upon by the court. These penalty levels are in line with community expectations.

The bill also inserts a variety of sentencing options for offenders. These include adverse publicity orders, orders for restoration, work health and safety project orders, occupational safety and health undertakings, injunctions and training orders. The purpose of these is to not only ensure that employers are accountable via penalties, but also potentially require employers by court order to put in place changes to make their workplaces safer. For example, the court can order that an employer undertake a specified project for the general improvement of occupational safety and health within a specified time frame.

Accordingly, the proposed amendments serve to improve workers' safety in Western Australia by placing a greater onus on companies and senior officers to maintain safe workplaces. The bill allows for criminal prosecutions to be made when decisions are entered into that knowingly compromise the safety of workers. Furthermore, this bill brings into line industrial manslaughter penalties with other manslaughter offences, as well as extending sentencing options available to courts.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and table the explanatory memorandum.

[See paper 275.]

Debate adjourned, pursuant to standing orders.

PREVENTION OF FORCED CLOSURE OF REMOTE ABORIGINAL COMMUNITIES BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Hon Robin Chapple**, and read a first time.

Second Reading

HON ROBIN CHAPPLE (Mining and Pastoral) [10.18 am]: I move —

That the bill be now read a second time.

The purpose of the Prevention of Forced Closure of Remote Aboriginal Communities Bill 2017 is to prevent the forced closure of remote Aboriginal communities. The bill acknowledges that Aboriginal people in Western Australia are the traditional owners of the lands in the state and have a living cultural, spiritual, familial and social relationship with these lands. Furthermore, it seeks to hold Western Australia accountable for its agreement to take responsibility from the Commonwealth of Australia for providing municipal and essential services to support remote Aboriginal communities. Remote Aboriginal communities are communities wholly or principally comprising persons of Aboriginal descent as defined by section 4 of the Aboriginal Affairs Planning

Authority Act 1972, and are listed in the government document entitled “Priority Investment Communities—WA”. Some of these communities may be renamed or known by a different name. Forced closure refers to any action taken without the free, prior and informed consent of residents that has the aim or effect of closing the community or relocating residents. It also refers to deterring people from living in the community through inadequate municipal or essential services. Municipal and essential services include power, water, sewerage, infrastructure, education, health services and waste disposal.

The bill would require decision-makers to adhere to the principles of the Declaration on the Rights of Indigenous Peoples, especially articles 8, 9, and 10, which outline the right to belong to an Indigenous community and not to be removed from lands; articles 3, 4, 18, and 23, which outline the right to self-determination and self-government in matters relating to their own affairs and development; and articles 19 and 39, which outline the right to develop their own health, social, and economic programs and to receive cooperation and support from the state.

Should a public authority make a decision that leads to the forced closure of a remote Aboriginal community, which includes the inadequate provision of municipal or essential services, the bill would enable residents to apply to the State Administrative Tribunal for a review of a decision to close their community. Residents must apply within six months after the decision was made or, if the community was unaware of the decision, six months after they became aware of it. Applications for review must be made in writing or, if made orally, be put into writing by the executive officer as defined in section 3(1) of the State Administrative Tribunal Act 2004.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party; nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and I table the explanatory memorandum.

[See paper 276.]

Debate adjourned, pursuant to standing orders.

HEALTH CARE — PEOPLE IN CUSTODY

Motion

HON ALISON XAMON (North Metropolitan) [10.22 am] — without notice: I move —

That this Council —

- (a) recognises the health needs of men, women and children in Western Australian prisons and in Banksia Hill Detention Centre;
- (b) acknowledges that people in custody are entitled to receive the same level of access and quality of health care as the general population;
- (c) notes that prisoners and young people in detention are excluded from Medicare; and
- (d) calls on the state Labor government to call on the federal Minister for Health to end prisoners’ exclusion from Medicare.

I wanted to move this motion today in particular to draw members’ attention to this issue. A lot of discussion is occurring on what is happening to state and federal funds. I think we have a very serious issue in this state around how the goods and services tax is calculated. I have personal issues around the way other states’ income from pokies is excluded from the GST distribution calculation, but that is a discussion for another time. I do not agree that Western Australia should be penalised for implementing appropriate social policies and not trying to make money out of other people’s misfortunes.

One of the issues I particularly wanted to bring to people’s attention today is the effects of decisions made in the past to exclude people in our prisons and detention centres from being able to access Medicare. This has resulted in a significant financial impost on the state and has also resulted in some quite serious adverse health implications for people, some of whom are the most vulnerable in our state. The purpose of this motion is to see whether people agree that this issue needs to be brought to the federal government’s attention and be subject to negotiation. I believe it is unfair for the state to be left with this cost and, as I say, a massive personal and community cost is being paid as a direct result. People in our prisons, and children and young people in Banksia Hill Juvenile Detention Centre do not have access to Medicare. That is something people are often not aware of and are very surprised when they hear about it. That means that the cost of providing health care to 6 092 men, 684 women and 134 young people in our prisons or juvenile detention centres in Western Australia is being footed by the state, which is a ludicrous situation. The Greens strongly maintain that all Australians should have access to Medicare and it should not matter where in Australia they are.

Prisoners and young people in detention are excluded from Medicare due to section 19(2) of the Health Insurance Act 1973. This section provides that where health services are being provided by, on behalf of or under an arrangement with any government entity, whether federal, state or territory, Medicare is not available unless the federal Minister for Health grants an exemption to the section. The purpose of this section is to avoid double dipping, but the effect of it does not at all deal with what actually happens. This provision is premised on the notion that the states and territories will provide equivalent health services for people in custody and therefore bear the cost.

I maintain that access to health care is a basic human right that people should not lose just because they have been sentenced to a period in custody. We know that punishment in our justice system is about loss of liberty but it should also be an opportunity for people to be rehabilitated. We need to ensure that prison does not undermine other human rights. Australia has endorsed the United Nations Standard Minimum Rules for the Treatment of Prisoners, called the Nelson Mandela Rules, and in doing so has committed to provide equivalent health care for people in prison and youth detention. Rule 24 states —

1. The provision of health care for prisoners is a State responsibility.

By that I mean government, not the state of Western Australia —

Prisoners should enjoy the same standards of health care that are available in the community, and should have access to necessary health-care services free of charge without discrimination on the grounds of their legal status.

Although younger men make up the bulk of the Western Australian prison population, we need to remember that the Health Insurance Act provision impacts also on vulnerable children, women and older people who are in prison and detention across the state. I maintain that there are many compelling reasons for providing good health services in our prisons, but the services being delivered in our prisons at the moment are not good. The bulk of offenders enter custody with some of the worst health profiles in the country. In every health indicator— infectious diseases, chronic respiratory and heart conditions, intellectual disability and addiction—we know that people in prison are already well behind the average of the general population. Prisoners often have significant and complex health needs that are often very long term or chronic in nature. Many prisoners have complex histories of disadvantage that encompass family violence, unstable housing, limited education, unemployment and economic adversity. There is also a higher rate of risky health-related behaviours including smoking, illicit drug use, harmful alcohol consumption and unsafe sexual practices. With almost half of prisoners unemployed before entering jail, one-third never having completed year 10 and one-quarter homeless, prisoners rate very poorly in the social determinants of health. Correctional settings are unique places to detect health problems, initiate care and promote health in a way that is unlikely to occur in the community. This has important health implications for the communities to which prisoners return. On its website the Department of Corrective Services states —

For many offenders, going to prison is the first time in their lives they are seen by health professionals.

Yet, we know that the highest number of complaints and concerns received by the Independent Visitors for the Office of the Inspector of Custodial Services last year related to health services in our prisons.

I also want to talk about mental health services in our prisons. There is an extremely high prevalence of mental illness among prisoners and detainees, and this has been identified as a central factor contributing to offending and particularly recidivism. I am sure that recidivism is of particular concern to some members in this place. The rate of co-occurring substance use and mental illness is also disproportionately high amongst prisoners and particularly elevated amongst women prisoners. Time spent in custody provides an opportunity for prisoners and detainees to finally receive appropriate psychiatric diagnoses and interventions, including medication regimes. However, mental health services for prisoners, including treatment and withdrawal programs for drug and alcohol addicts, are massively overstretched and do not even remotely meet demand. This is being exacerbated by unprecedented levels of overcrowding. The Australian Medical Association recommends that mental health services in prisons should be adequately resourced to provide appropriate screening assessment and therapeutic procedures, including for co-occurring mental health and substance use disorders. As I said, we know that improved mental health reduces recidivism, so if we do not use that opportunity and address the mental health and untreated addiction of people in our prisons, the revolving door between prisons and the community will continue. I also add that better mental health services make prisons safer, both for other prisoners and the people who work there. Again, the Office of the Inspector of Custodial Services found that prisoners with mental health concerns and intellectual disability were significantly overrepresented in staff assault incidents, with prisoners recorded as having some form of psychiatric illness in almost 40 per cent of the assaults analysed by the office. There is also a disproportionately high level of Aboriginal imprisonment, and failure to properly fund health services to people in prisons and detention centres disproportionately impacts on the health and wellbeing of Aboriginal people because of this appalling overrepresentation of Aboriginal men, women and children in our

justice system. WA imprisons more Aboriginal people per capita of the Aboriginal population than any other state or territory and I think this is a terrible statistic that is made even worse if we do not take the opportunity to address health inequalities when people are in custody.

Women are particularly vulnerable in our prisons and the lack of health care is having a very specific impact. Women in custody very often have histories of violence and abuse perpetrated against them, and also they may be the primary carers of their children. If their health needs, and particularly their mental health needs, are not present, it raises very big concerns when they are released. It impacts on the capacity to secure stable accommodation, and very often these women, once they have been incarcerated, will have had their children taken into child protection for the time they are in prison. If they have also not had the underlying mental health issues addressed during that time in prison, it may be some time before those children are ever returned to their mother. This adds an additional cost to the state because it means that there are children who continue to be held in care. From a long-term perspective we are also creating a vulnerable population of children who not only have a mother with mental health issues, so they are a child of a parent with mental illness, they can go on to have higher rates of mental health issues, which again is a cost to the state apart from the human cost. If women's mental health needs are not met in prisons, it is more difficult for them to get a job, their chances of reoffending are higher and they have a very high risk of ending up in custody again. It is bad for the community, because offending has continued, and it is bad for the taxpayer because keeping people in prison is a very expensive exercise. From my perspective this is a no-brainer. We know that if we address women's mental healthcare needs, we will stand a much higher chance of ensuring that families are able to get back together, that crime rates will reduce and that women will stay out of prison, which will reduce the overall burden on our welfare system and also the state budget.

Young people in detention also have specific healthcare needs and prevention and early intervention can be particularly effective at this age. I also mention that another looming health challenge is the rapid ageing of our prison population. In the last decade across Australia there has been a 140 per cent increase in the inmate population aged over 65. All these prisoners are bringing a whole range of unique health challenges, notably diabetes, dementia and, increasingly, a range of disabilities. The idea of enabling access for prisoners to Medicare is starting to get increasing agreement. Again, I note that the AMA in particular is starting to really speak out about this. For a while the AMA has been saying that it believes prisoners should retain their entitlements to Medicare while in prison and it has been lobbying on this. The AMA states —

The loss of Medicare and PBS entitlements while in prison is inconsistent with best practice in throughcare, and serves to exacerbate the cycle of ill-health experienced by prisoners and detainees as they move between prison and the community.

The AMA has also raised the issue of prisoners needing to reapply for their Medicare number upon their release. When we think about the lack of health care they have received in prison, this can be practically challenging for a number of prisoners and it becomes additional barrier for prisoners engaging in health-seeking behaviours upon release. Again, it is not good for the community and certainly not good for those people. It also hampers information exchanged between prison and community health services. It has been noted that exclusion from Medicare means there is no financial incentive for community health service providers, such as Aboriginal community-controlled health services, to enter prisons, particularly in rural and remote areas. These services are really important, and their provision of culturally appropriate care could be of real benefit in the custodial environment. They know how to deliver these services and deliver them really well. I am particularly thinking about Aboriginal young people in Banksia Hill Detention Centre, many of whom are thousands of kilometres away from family, community and country.

It is generally acknowledged, including by the Department of Corrective Services, that health services provided in prisons should be of a standard commensurate with those provided within the community. I have said before that that was always intended to be the expectation, but it is clear that this is currently not the case. One of the reasons this is not the case is that the federal government has denied access to Medicare to prisoners and young people in detention. Again, I maintain that quality health care and mental health care is not only a human right, but also makes good economic sense in the long term. We know that prevention, early diagnosis and intervention is cheaper and more effective than waiting till people turn up in emergency departments, or waiting for people to continually offend and end up back in our prisons.

I recognise that there is not a lot of sympathy when we talk about prisoners, and particularly when we talk about the rights of prisoners and their access to services. I understand that a "lock them up and throw away the key" mentality often dominates a lot of public discourse. I get that. But I maintain that this is an area that we absolutely should hear about. The reason for that is, as noted by the Inspector of Custodial Services, prisons deliver a human service; they are not a warehouse function. The failure to allocate funding to provide high-quality health care in prisons is a false economy. The longer illnesses and diseases go on, the greater the ultimate costs of treatment, as well as the flow-on in other areas. Failing mental health and untreated substance abuse is perpetuating the cycle of ill health and disadvantage, and is a recipe for reoffending. We need to ensure that all Australians have access to appropriate and quality health care, regardless of their circumstances.

According to the Department of Corrective Services' "2015–16 Annual Report", 11 817 patients received health care in prison, but of course the services they received were not necessarily all covered by Medicare. That represents a significant cost to Western Australia.

I note that ending prisoners' exclusion from Medicare is supported by, as I have mentioned, the Australian Medical Association, the Public Health Association of Australia Inc, and the Royal Australian and New Zealand College of Psychiatrists. I note that there are also some vocal campaigners around this issue, particularly Professor Stuart Aitken of Griffith University.

Before I finish I would like to acknowledge the challenges of providing health services to people in custody. I want to acknowledge the really good work being done by the people working in that environment—I know a number of them. Some really wonderful people work in custodial health services within Western Australia. I have seen firsthand their commitment and dedication to their work; they show a lot of humour, passion and courage. They are making a positive difference to the lives of the people they work with, to the extent they are able to. My motion today is purely about health care.

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Environment) [10.44 am]: I begin by thanking the honourable member for bringing this motion to the Legislative Council. It is my pleasure to make some comments on behalf of the government and Minister for Corrective Services.

The McGowan Labor government values the provision of quality health care for all Western Australians. We believe that just because somebody is incarcerated, it does not mean they are no longer entitled to basic health care. Health care of prisoners is not only important for the general wellbeing of people in our care, but also for rehabilitation and reintegration to the community post release. It has also been acknowledged for many years that prisoners are entitled to receive the same level of healthcare services as available to the community. In fact, the 2012 "Standard Guidelines for Corrections in Australia", to which all states and territories are signatories, states in its guiding principles for the management of prisoners that prisoners should be —

Provided with access to health care, to the same standard as in the community, in response to need, with an appropriate range of preventative services, and promoting continuity with external health services upon release.

Community equivalence implies equivalent health policy, standards and delivery of health care.

Therefore, the provision of healthcare services should be closely aligned with both national and state health services. National and state health and mental health policies consider the health of the population as a whole, and do not make a distinction between prisoners and the rest of the community. Being in prison, therefore, should not remove the rights of prisoners to receive good health care or, either through acts of omission or commission, make it more likely that people become ill or experience deterioration in their health status or have access to substandard healthcare services when compared with services available in the community. This includes access, as the member quite rightly pointed out, to Medicare, and also to commonwealth-funded primary healthcare programs.

Prisoner health care is a significant proportion of the cost of maintaining the prison population, and that would not be a surprise to any member in this place. The cost of providing medical services is made even higher because of the large number of remand prisoners. In this state the remand population is almost one-third of our prison population. That cohort, most of whom are released from prison within four weeks, all have access to medical, and in some cases dental, treatment that they would not necessarily have had in the general community.

It is also worth noting that it is not just access to medical services that underpins the huge expense to the already overstretched Corrective Services' budget, but the cost to the department of medications is extraordinary. I am advised by the minister's office that common medications for diabetes, for example, instead of costing a maximum of \$7.50 for a month's supply as it does for most people, for the department the cost is much higher; the cost of medication for people living with mental illness or depression increases exponentially. The cost of providing health care to prisoners proportionally is, as I said, a significant portion of the Corrective Services' budget. If the commonwealth were to allow prisoners to access Medicare, it would be a much smaller proportion of the federal health budget but it would allow Corrective Services to focus on the rehabilitation and education of prisoners to ensure that post release they actually become productive members of society.

Currently, health care in prisons in Western Australia is provided by incredibly passionate and dedicated prison doctors, nurses, dentists, psychologists and other allied health professionals. Unlike other state and territories, our health professionals are employees of the Department of Corrective Services, rather than the Department of Health. At the moment the McGowan Labor government is working on transitioning the delivery of health services to the Department of Health, so that we can take advantage of the economy of scale that department is able to avail itself of. I assure the Legislative Council this morning that this work will in no way diminish the quality of, or access to, health care in prisons and Banksia Hill Detention Centre; we believe it will actually help in the provision of services.

Hon Alison Xamon was correct in her assertion that prisoners and incarcerated young people are excluded from Medicare. Medicare was designed to be a universal healthcare program, providing coverage to all Australians while in Australia. This cohort cannot, at the moment, access Medicare. For the past 10 years the commonwealth has declined to entertain requests by state and territory governments of all persuasions from all over the country and also from non-government agencies such as the Australian Medical Association and the Public Health Association of Australia to allow prisoners who are Australian citizens or, indeed, permanent residents to access Medicare and the pharmaceutical benefits scheme. Despite repeated attempts to have this access reviewed, the commonwealth continues to quote that its position is legislated in the Health Insurance Act 1973, which prohibits state and territory governments from transferring costs associated with custodial prisoners, which is clearly a state and territory responsibility, to the commonwealth. Section 19(2) of that act precludes a Medicare benefit being paid in relation to a medical service rendered under an arrangement with a state or an authority established by state or territory law—that is, the Department of Corrective Services. As I heard Hon Alison Xamon interject in the slightest of voices, of course that can change. There is nothing to stop the commonwealth from changing it.

Exemptions have been put in place by former commonwealth health ministers to provide Medicare services in certain areas. In particular, exemptions have been granted for private doctors who provide services in rural and remote Aboriginal communities. Such exemptions have been based on remoteness. That would encompass some of our rural prisons and, arguably, an exemption on that basis could be provided. Exemptions are provided to people in regional areas already. Why could they not be extended to our prisons in those areas at the very least? However, I am advised that the commonwealth is not currently prepared to acquiesce on this matter, so the work and the lobbying will continue. The commonwealth has also granted exemptions for certain Aboriginal communities to provide doctors, nurses, midwives and other careworkers to provide Medicare billed services. Madam President, I am sure you will be aware that not only are Aboriginal people overrepresented in our prisons, as Hon Alison Xamon quite rightly pointed out in her contribution, but they are also overly represented in health matters as well. Indeed, Aboriginal people are more likely to suffer from illnesses like diabetes, a variety of cancers, addictions and liver disease. Given the high number of Aboriginal people who are currently incarcerated, surely we could agree that the current exclusion of prisoners is a missed opportunity to improve the health conditions for this vulnerable group in society. If prisoners were given access to the same levels of preventive health services, there may well be a flow-on effect to the federal health budget for prisoners post-release. As we know, early intervention is vital in anything. If we spend a dollar now, it might well lead to savings in the future. This is one case in which we believe it could bring benefits to the overall federal budget.

I was surprised to learn that while a prisoner is on work release or in a work camp, they can access Medicare benefits just as I or other members can. However, once they are within the walls of the prison itself, they are excluded from accessing Medicare benefits. I am advised that in some eastern states prisons are encouraging people who are on work release to use that time to have medical and dental appointments rather than waiting. That is happening. People are cheating the system, albeit a system that needs to be changed. That is another reason that the commonwealth should be open to fixing this issue. There is no doubt that health professionals in prisons are doing the best that they can. However, resources are stretched and unmatched by the sheer number of people who are incarcerated in our prisons. This has a flow-on effect to the likelihood of success when a prisoner is released.

I will give members an example of a young woman who is incarcerated for drug crimes. She also suffers from significant mental health issues. While in prison, she has access to mental health clinicians, but due to the significant cost of providing that service and the dramatic number of inmates who require mental health services, she cannot be seen as frequently as she may have been seen in the community. The flow-on effect from this is that when she is released, there may well be issues with gaining employment or even simply being able to reintegrate into the community. An additional challenge, especially when we discuss the provision of mental health services, is that a prisoner may form a productive client–therapist relationship with a prison counsellor or psychologist. However, the prisoner cannot continue to see that clinician upon release. For some people, therapy may need to begin again from the start when they are released, while the now former prisoner has to rebuild a therapeutic relationship.

That lack of continuity can be quite damaging to progress, not only for those who are living with mental illness, but also for their more general physical ill health. Imagine if a person had been seeing a general practitioner for a number of years and suddenly had to change because that GP was no longer available. Members should remember that for some prisoners, prison may well be the first time they have visited a doctor or a dentist. The trust relationship that is necessary to be built up by clinicians is vitally important for productive treatment, regardless of the type of treatment being provided. Surely the priority has to be the rehabilitation of prisoners and giving them the best opportunity to succeed after they are released. The McGowan government is committed to lobbying the federal government to provide all health services to prisoners. I confirm that through the Corrective Services Administrators Council, of which this state is a member, members throughout the country are developing a comprehensive program and platform to lobby the federal government in earnest. That work has commenced and is underway. The main contention of the Corrective Services Administrators Council is that the provision of medical services by the federal government to prisoners would be only a small cost to the national budget. However, it would have a massive savings impact on the health and corrective services budgets in the states and territories.

I am sure that members are aware that prisons punish people by removing a person's liberty, but the removal of liberty does not extinguish a person's rights as a citizen. Access to healthcare is something that should be provided to all Australians and something that we should all be proud of. It is time that the federal government agreed with the states and territories and enabled all Australians to have access to health care of the same standard as everybody else. Not only is enabling prisoners to access medical and pharmaceutical benefits the most moral and humane thing to do, but it will also ensure that all people in this country have access to health care of a similar standard. It is also the most cost-effective and monetarily sensible way of doing things. We will continue to lobby the commonwealth, and I encourage all members in this place, regardless of party, to help us and join in.

HON DIANE EVERS (South West) [10.57 am]: I want to add my support to Hon Alison Xamon's motion. Knowing that prisoners are not entitled to Medicare when they are in custody should give us more incentive to look at options other than putting them in prison, such as placing drug users with rehabilitation services. In the long run it would be much cheaper for us to have people go into rehabilitation rather than to go into prison. They would get proper Medicare treatment, which would reduce the ongoing costs to the government of looking after people who have these issues.

HON NICK GOIRAN (South Metropolitan) [10.58 am]: I thank Hon Alison Xamon for moving this motion this morning. On behalf of the opposition, I will make a few brief remarks. I think it is useful and I congratulate Hon Alison Xamon for taking the opportunity to move the motion during Men's Health Week. The member's motion deals with more than just men's health in our state; indeed, she specifically recognises men, women and children in Western Australian prisons. I certainly add my recognition of those health needs. I note that the Department of Corrective Services indicates on its website that with respect to both health and mental health, prisoners in custody receive the same level of health care that the general public would receive under the public health system. I am reminded of a few unfortunate cases with which I was involved in my previous professional life working for victims of crime. Although it might not be readily apparent, some inmates in our prison system are indeed victims of crime themselves. There is no question that those who have been convicted of a crime and are serving a sentence—they are not simply on remand—are perpetrators. Nevertheless, just because a person is a perpetrator does not mean that they are not also, in some other set of circumstances, a victim of crime. Members would no doubt be aware that criminal offences take place within the prison system, including assaults and the like. I recall meeting with a client on more than one occasion who needed medical intervention within the prison system. On at least one occasion I was actually quite surprised by the rapid response that prisoner received. The injuries the individual had were most unpleasant. I will not spend time this morning to unpack any of those matters, but I will say this much: if someone wants to try to access the public dental health system in Western Australia, they will be waiting a long time, but if a person is in the prison system, they actually have pretty good access to the public health system. I note that the website of the Department of Corrective Services states —

While in custody, prisoners receive the same level of health care the general public would receive under the public health system.

The Department of Corrective Services suggests that prisoners are on a level playing field, but my experience, on at least a couple of occasions, is that prisoners receive more rapid access to the public health system than the general public. That is not the point that Hon Alison Xamon is making. Her motion deals with the issue of Medicare. However, it does go to the issue of access, and access includes the speed at which a person can obtain a response. I have to say that it is abundantly unclear to me what the government's position is on this matter.

Hon Stephen Dawson: You obviously were not listening.

Hon NICK GOIRAN: I was present for the entirety of the contribution made by the honourable minister and was gratified that he had had somebody prepare some notes for him so that he could make a contribution this morning. Whilst words were articulated this morning, the minister certainly did not indicate the position of the government. I thought that was quite unusual.

Hon Alanna Clohesy: That's ridiculous!

Hon NICK GOIRAN: I note the interjection of the parliamentary secretary for health, who has not had the energy to rise from her seat this morning, despite the fact that —

Hon Alanna Clohesy interjected.

Hon NICK GOIRAN: I am sorry; I missed that interjection. It seems that the interjection was not that important because the member does not want to repeat it, as I suspected. The point is that the parliamentary secretary who has responsibility for the portfolio representing the health minister has not bothered to contribute.

Hon Sue Ellery: We can always tell when you've got nothing of substance to say because you always attack other people for not speaking.

Hon NICK GOIRAN: From time to time I have noticed that when Labor members are struggling, there is only one person who is capable of speaking and that is the Leader of the House, Hon Sue Ellery.

Hon Sue Ellery: I have always known that you secretly love me. You are just making it a little less secret.

Hon NICK GOIRAN: Unfortunately, despite the enthusiasm of the Leader of the House to engage with me in a dialogue this morning, the fact remains that it is unclear what the government's position is on the motion put forward by Hon Alison Xamon.

Hon Stephen Dawson: Read the *Hansard* if you weren't listening.

Hon NICK GOIRAN: If it were a simple fact of explaining what the government's position is, we would not have silly interjections telling me to read the *Hansard*; the minister would actually articulate the response and indicate whether he is in agreement with Hon Alison Xamon or in opposition to her.

Hon Sue Ellery: Are you?

Hon NICK GOIRAN: Of course, that is what the government and especially the ministers, and particularly the Leader of the House, get paid the big bucks for. They have the most important and honourable task to represent the people of Western Australia as the government and as ministers of the Crown and they have been asked by the honourable member what their position is on Medicare access. Unfortunately, they have failed this morning to articulate what that position will be. It is quite surprising, given that this is their first opportunity to provide a response on this issue, that they have been unable to do so. Be that as it may, I note that the Department of Corrective Services indicates that prisoners have the same level of access as the general public to the public health system. I think it would not be unreasonable for Hon Alison Xamon to want to interrogate the Department of Corrective Services—knowing her, I am sure that she will—to ensure that it is fulfilling its mandate. It is one thing for the department to say that prisoners have the same level of access as the rest of the general public to the public health system, but it is another thing to deliver on that commitment or statement of intent. I have no doubt that the honourable member will seek to pursue this matter further. I do hope that before the conclusion of the limited time we have today, the honourable parliamentary secretary might let us know what the Minister for Health thinks about this matter.

HON CHARLES SMITH (East Metropolitan) [11.08 am]: I thank Hon Alison Xamon for raising this important issue about the healthcare needs of people in custody. I do not doubt that the facts and figures she quoted are accurate and true, but I want to just inject some realism into the member's statements from a personal experience of working within custody and with prisoners, including at the prisons themselves. As the member said, prisoners are human beings, just like members are. Even One Nation members are human beings, contrary to some media statements. From my observations while working within custody, the prisons, policing and so on, my understanding is that if a prisoner has a healthcare need, they are seen at the prison initially by a nurse or doctor and they are assessed. From there, if the patient needs further treatment or assessment, they are referred to a consultant at a hospital. I will just pause for a moment and examine that by comparing it with the experience of a member of the public. An ordinary person will have to give their GP a ring and make an appointment to go and see their GP. It may take days or weeks to see their local GP.

If the GP believes the person should seek a consultant, they then refer to a consultant. Again, it may take weeks or months to see a consultant, especially in the regions. If we relate this to the prison system, in my experience if a prisoner is in need of health care, they are escorted to hospital and seen to pretty quickly. They are then ushered in to see a consultant and their needs are met. All this happens very quickly. Of course there are instances when mistakes are made, and mistakes do happen—people are human. I wanted to inject that bit of real life because I believe that prisoners are dealt with pretty well and, in effect, they do jump queues above people who are going about their business and are not in custody. I believe from my observation that they receive better and quicker treatment in the healthcare system. I will close my brief remarks with this: there is a saying within prison staff and the correction services community about health care: that is, if you need urgent health care and you need it quickly, go and commit a serious crime, because they will take you straight there and you will be seen straightaway.

HON ALISON XAMON (North Metropolitan) [11.11 am] — in reply: I thank members for their contributions. I appreciate their participating in this important issue. I want to respond to a few of the comments. Again I note that this issue is about the provision of health care. I have not even talked about the lack of dental care within our prisons and also alcohol and other drug treatment services, for example. I also point out that the purpose of this motion is to highlight the fact that the federal government is not meeting its obligations for funding the health care of prisoners in this state and the unfair burden that is placing on the state Department of Corrective Services budget. I note Hon Stephen Dawson's comments about the moves to transition the delivery of health services from Corrective Services to the Department of Health. I am aware that discussions began under the previous government and that they are continuing now. This is a positive move in the right direction. However, I also note that part of what is holding up those discussions is that the health

department has indicated that it is concerned about the cost of being able to deliver those services without Medicare being made available. This is a genuine concern. Even though the move to transition the delivery of health services from Corrective Services into Health will make for a better delivery of services, the cost of that and how the state will bear that cost is still an ongoing issue.

I want to pick up on the contribution of a couple of members who talked about the quality of services within our prisons. I note Hon Nick Goiran's comments about the Department of Corrective Services having on its website that prisoners are offered the same level of services. I note also the concern of Hon Charles Smith that prisoners are getting a better level of service. Remembering that one of the key issues of this motion is to talk about cost shifting between state and federal, I will say that, with respect, as someone who has also been working out of prisons, fairly recently, it is my absolute assertion that the level of health services available within our prisons and our mental health services are woefully inadequate. Not only are they not meeting the level of demand for the reasons I have already articulated in terms of the increased level of need within the prison population because of ongoing adverse health issues and a high prevalence of chronic conditions—all of those issues—but they are not meeting even some of the most basic services. This is not about trying to apportion blame. The budget for Corrective Services has continued to blowout, proportionate with the increased number of prisoners, and at some point something needs to give.

I appreciated Hon Stephen Dawson's comment that if health services were to be funded by Medicare, that would better enable the existing Corrective Services budget to be utilised for rehabilitation services. I completely agree. We would be able to look at increased training opportunities and a range of things that would support people upon release to be able to live better within our community and, very importantly, hopefully not engage in offending behaviour ever again. That is one of the points that is lost when we talk about prisoners and services for prisoners. Ultimately, this should also be about ensuring that our community is safer, and we do not make our community safer if we do not help to break the cycles of people's lives that are contributing to offending behaviours in the first place.

I stress again that under the Health Insurance Act the Minister for Health has the power to grant an exemption to end a prisoner's exclusion from Medicare. I listened closely to Hon Stephen Dawson's contribution and I heard that there was an agreement from this government that this was an issue that was worth continuing to lobby the federal government on. I am pleased to hear that. I hope absolutely that that will be taken up vigorously. I would like to offer the Greens' support of anything that we can do at either a state or federal level to encourage this move. I assure members that that will be possible.

I pick up Hon Nick Goiran's comments about the quality of health services in our prisons. I assure Hon Nick Goiran that over the next four years I will most certainly continue to talk about the quality of our health and mental health services for our prisoners and will pay close attention to the provision of services and the number of dollars and how many people are accessing services. The member can rest assured that this is likely to be an issue that I will keep a very close eye on. I maintain that WA should not face the burden of addressing the profound disparities faced by prisoners alone. Western Australia already carries an unfair burden in federal–state finances. I strongly believe that this is the way the federal government can not only start to do more of its fair share, but can ensure that the community ultimately will be safer and also that people in our prisons will finally get the services they need. I commend the motion to the house.

Motion lapsed, pursuant to standing orders.

JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

Assembly's Resolution

Message from the Assembly requesting concurrence in the following resolution now considered —

The Legislative Assembly acquaints the Legislative Council that it has agreed to the following resolution —

That the house agrees to the resolution of the Legislative Council referred to in Legislative Council message 1, subject to the following amendment to which the Legislative Assembly requests the concurrence of the Legislative Council —

No. 1

Delete paragraph 10.8.

Motion to Concur

Resolved, on motion by **Hon Sue Ellery (Leader of the House)**, that the request contained in the Council's message be agreed to.

JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION*Appointment of Members — Motion*

HON SUE ELLERY (South Metropolitan — Leader of the House) [11.19 am] — without notice: I move —

That in response to Legislative Assembly message 5, the Legislative Council agrees to the Legislative Assembly's amendment and appoints the following members to the Joint Standing Committee on Delegated Legislation—Hon Robin Chapple, Hon Martin Pritchard, Hon Kyle McGinn and Hon Charles Smith—and that the Legislative Assembly be advised of this resolution and of these appointments.

I draw to the attention of the house that I understand this has been agreed to behind the Chair by all the parties and I thank them for their forbearance while we came up with a satisfactory response to the Assembly's message.

Question put and passed.

ADDRESS-IN-REPLY*Motion*

Resumed from 14 June on the following motion moved by Hon Dr Sally Talbot —

That the following address be presented to Her Excellency the Honourable Kerry Sanderson, Companion of the Order of Australia, Governor in and over the state of Western Australia and its dependencies in the commonwealth of Australia —

May it please Your Excellency: We, the members of the Legislative Council of the Parliament of Western Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and thank Your Excellency for the speech you have been pleased to deliver to Parliament.

HON KEN BASTON (Mining and Pastoral) [11.20 am]: I have a few more words to say on the Address-in-Reply to the Governor's speech. Last night I was discussing dog fences with the Minister for Agriculture and Food, Hon Alannah MacTiernan, who commented on her discussions with Hon Barnaby Joyce, the federal Minister for Agriculture and Water Resources, who suggested that cell fencing was the way to go in dog control. I referred to the proposal for a \$3.5 million spend on a fence in the Murchison region, which would be a large cell, comprising 52 pastoral leases and six Department of Environment Regulation leases. It is quite a big area; however, the proposal has been well thought out based on the terrain. I might add that this proposal is for 370 kilometres of fence, but overall 1 000 kilometres has already been erected. It is like shutting the gate after the horse has bolted, to say the least. It is small stock unit country and the industry will not survive unless dogs are controlled; in fact, they should be aiming for eradication in that cell. In the early stages, the area could have smaller cells that suit individual properties, which would help to mop up those dogs. It will take a number of years.

I also spoke about Rawlinna station out on the Nullarbor, which put in a dog fence in the late 1960s. It is a total perimeter fence with 150-millimetres of lap wire on the bottom, stopping dogs from digging under the fence to gain entry. As I said last night that property is very productive, running 60 000 sheep and 1 760 bales of wool. I imagine on the sheep and wool market today it would be a very profitable operation. Building that fence today is a lot easier in the sense that the rolls of wire netting have the lap wire attached and it drops down as it is rolled out and hinged on the fence. Running that fence today is a lot cheaper than it was back in the 1960s, in the sense of the work that it entails.

The proposal in the Mt Magnet–Murchison area is that local labour will put up the fence and it will be administered by local government. I believe that provides some skin in the game for pastoralists, who are helping to build that fence and giving their time. We must remember that pastoral leases are still part of the state; they are only a lease and therefore one could say that the people running them are very much guardians of the rangelands with an important role to play. In the past there has been apprehension about people smuggling snakes and lizards into Germany, which is worth a fair bit of money. They have been caught by the pastoralists on those leases. The Kalgoorlie region is in the same boat with massive dog problems. Sheep production in that small stock unit country has been done away with. It is important for the state that it is brought back to some form of productivity, providing a return to government. Even if these properties were making a loss, the product they produce is mainly export wool and meat, which is important income for WA's coffers.

It was brought to my attention that in the past properties in the rangelands were based on wool production. There is meat sheep as well today but, in wool production, at about five or six years' old, ewes were sent into the agriculture area where they were on softer feed and were able to produce another lamb or two, and then they went on to the abattoir as manufacturing mutton. That stage is now missing, and it was a very profitable stage for agriculture in Western Australia.

I touched on royalties for regions last night and I gave the Shire of Meekatharra as an example that I believe has made good use of this funding. The shire put these funds into sealing a road from Meekatharra to Gascoyne Junction, which is already sealed from there on to Carnarvon. The shire thought that was the most productive thing it could do with the funds, and I think something like 37 kilometres of road has been sealed. That was done by local labour, local plant and the local shire. It provides jobs in that region, which are fairly sparse and, of course, families, school et cetera will follow.

I also want to talk about cattle numbers across the north. In answer to a question I asked a couple of weeks ago, I was told there are some 2.2 million cattle in Western Australia. We need to continue to build that herd, and we can use other resources today such as pivot irrigation to get better quality beef et cetera. We want sustainable markets such as Vietnam, Indonesia and Thailand, and the opportunity to export to Egypt. Those markets are our oyster. We must keep up the supply. It is no good finding new markets if we cannot meet supply. We need the Northern Territory and northern Queensland as our supply base to keep that trade going.

Recently between Broome and Derby an abattoir was built with much enthusiasm from Jack Burton, who is a long-time pastoralist in the rangelands, and in the Murchison before that with small stock units. His dream of having an abattoir in the north again has come to fruition. It is on about 120-kill a day at present and he wants to increase that up to 200 a day. The cattle that go through this abattoir are mainly termed manufacturing meat, although it is not quite that broad; it is hamburger meat et cetera and I believe it is sent up to companies in Singapore. That facility is built to eventually increase to a kill of some 300 head.

There are also other opportunities. Recently at Lake Gregory there has been an oversupply of wild horses. Up until now that is a product that has been destroyed by helicopter muster and firearms and just left there. That control is necessary, but this abattoir will also take horses in future. Once again, that will be an export dollar coming back into the state.

Another thing that always concerns me is that with this increase in production we need to make sure that we have an increase in our infrastructure to meet that demand. Broome badly needs an extension of the port so that it is easier for trucks to turn around and it can accommodate container vessels. I pick on Broome as being a port that is fairly central in that sense. If we look at all the other ports, they are pretty much taken up with iron ore or oil and gas. This port could become a multiuser port. If anyone is concerned about the Thunderbird mineral sands project, I direct them to an excellent Department of Mines and Petroleum article, if any members wish to read it to find out exactly what it will entail and whether it will put pressure on these ports.

I look forward to the state of Western Australia prospering with the diversification of mining, tourism and agriculture, and the roles they can play in the economy of the future.

HON MARTIN ALDRIDGE (Agricultural) [11.31 am]: Thank you, Mr Acting President (Hon Dr Steve Thomas) for the opportunity to speak to the Address-in-Reply to the Governor's speech given in this place earlier this year. In doing so, I congratulate you on your election to this chamber and on your elevation to the lofty office of Acting President.

As a member who joined this place late in the life of the thirty-eighth Parliament, I benefited from the counsel of Hon Barry House. I am sure that new members in this Parliament will do likewise with the recently elected Madam President, Hon Kate Doust. I would like to welcome her appointment and let her know that I backed her all the way, even though some of her colleagues may not have always been supportive of her elevation to the office of President of this house! I truly believe that she will do a sterling job as President of the Legislative Council. I also welcome the comments she made shortly after her election about taking actions to modernise Parliament; particularly, the introduction of technology will be a very good thing for this place and its members.

I must offer an apology to the house for being away on urgent parliamentary business for much of the last sitting week before the membership of the house changed in late May. As a result, I was unable to observe many of the valedictory speeches presented in this place at that time. Since then I have had the opportunity, with the assistance of *Hansard*, to review them, and I would like to offer my respects to those former members of this place who are now forging paths and lives outside these four walls; I am sure they will be much more normal than those within these four walls!

I thank the Governor for her address to this place on 11 May. In doing so, I would also like to congratulate the Australian Labor Party for its success in the last election. Although we have changed seats and are sitting on different sides of the house and our focus has changed, there is no time for any rest. As members of the crossbenches, we have an important role in this house in holding the government to account.

I came to this place as a newly elected member in April 2013. I was then 31 and at that time the youngest MP serving in either house of the Parliament. I remember saying in my first speech that for a Parliament to be truly representative, it needs to be much more reflective of those who live outside this place—those people who often do not have significant influence on our parliamentary democracy and who rely upon us to represent them. I said we needed people from all walks of life with wideranging experience, culture and skills.

This election has delivered a much-needed injection of life into this place. Rather than a demographic that was trending towards my grandparents, we now have a bunch of new members, a number of them younger than me! I am more than happy to pass on that baton and to say to those members: never believe for one minute that you are worth less than any other member in this place, with the obvious exception of Madam President! You will face ageism, and you will face those who tell you that you are too young and inexperienced to know and that you should follow their wisdom. I was even called a twerp during a parliamentary debate by a thankfully former member of this place, and that was not even deemed unparliamentary! That member went on to say that when she was a young person she would speak out inappropriately at times without the benefit of knowledge, wisdom and life experience, and that her mother would call her a twerp; therefore, the expression was fit to characterise me! I am sure some of you still agree with her!

Hon Dr Sally Talbot: Was it somebody on your side?

Hon MARTIN ALDRIDGE: She may have been!

I say to that, never back away from your beliefs and, above all, remember that you are equal in this place, having earned your right to be here just as much as every other member.

Good luck accustoming yourself to the standing orders; you will soon learn that there are as many unwritten rules, if not more, as there are written ones. I am still trying to work that out after four years here, and that is why I have taken the opportunity to become a Deputy Chair of Committees and Acting President—a position that I have wholly failed this week, as a result of having to be away on urgent parliamentary business due to some sickness in my family.

Welcome to the Legislative Council, and I look forward to working with all members, but particularly the new members, over the life of this fortieth Parliament.

I would like to reflect now on my electorate for a short time. This is the third occasion that I have been elected a member of this place and I wish to place on record my thanks to the good people of the Agricultural Region. At this election, the voters of the Agricultural Region overwhelmingly supported the National Party over any other party. The Nationals recorded 27 060 votes—almost 6 000 more than the Labor Party, 10 614 more than the Liberal Party and 16 777 more than Pauline Hanson's One Nation. In comparison to 2013, the Nationals vote increased by 1 771 votes in an election in which the government parties saw significant swings against them in most seats.

I would like to recognise my fellow Ag Region running mates. Obviously one of them, Hon Colin de Grussa, MLC, is seated behind me. I would also like to recognise those of my running mates who were unfortunately unsuccessful: Leigh Ballard, Steve Blyth, Fred Block and David Kennedy. They were a solid team of hard workers, committed to the cause, and I want to personally recognise their efforts and the sacrifices they made throughout the election campaign.

I would like to also pay tribute to my colleagues in the other place. We do not like to thank them too much because their heads are already big enough and they already think that they are better than us! But I want to particularly acknowledge Peter Rundle, who successfully contested the seat of Roe following the retirement of the very popular local MP, Tuck Waldron. Not only was there a retirement in that seat, but also a merger of the seats of Wagin and Eyre to form the new seat of Roe, of which I am sure members are aware. Peter faced a strong challenger in Dr Graham Jacobs, the then member for Eyre, whose seat was abolished after the 2015 redistribution of electoral boundaries. I managed to spend some time with Peter during the campaign, despite that seat being the most distant from my home in Gingin. Pete was a committed and determined campaigner who lost neither focus nor his nerve. As the election approached, all sorts of things happened, as they do during election campaigns. We saw opponents handing out how-to-vote cards for other parties. The National Party was accused of preferencing the Greens and of collusion with a grand mufti concerning the Pauline Hanson's One Nation–Liberal preference deal. In my mind that had a negative impact on both parties involved. Late in the campaign, at five minutes to midnight, there was the revelation that the Liberal Party intended to make significant cuts to royalties for regions; a matter that I will talk about a little later in my address here today.

I would like to acknowledge the retirement of “Tuck” Waldron, who will be the last member for Wagin. Tuck was a good local member, who worked very hard for his patch and I want to share a few little anecdotes of my time with Tuck from before and after I was elected to this place. One of the great skills that Tuck taught me was how to use a fax machine. I think it is fair to say that Tuck was one of our technologically challenged members. Even when he was a minister, he maintained a paper diary, which he took into his office once a week to erase and update his entries. He liked to do things the old-fashioned way. Late one night, I needed to send a fax and, for some reason—I cannot remember the exact reason—I could not get the blooming thing to work. Tuck waltzed in and showed me how to do it. He never forgot it and would often remind me that, although he had never opened a computer in his life, he taught Marty Aldridge how to use a fax machine!

We often spent a lot of time on the road together, especially during field day season. It was hard not to see the deep admiration and respect in which he was held by his electorate. We could almost reach the conclusion that he knew each and every one of his voters by not only their first name but also their middle name, so strong was the bond. But after observing Tuck at the Newdegate field days, it was not long before I saw a pattern emerging. People would approach the stand and his opening words would be, “G’day, me girl”, or “G’day, me boy.” After he had spent about 45 minutes in quite a deep conversation with a fellow, I asked Tuck who it was, and he said, “Stuffed if I know!” I think from that point I realised that a lot more people knew Tuck than he knew, but he certainly had a way with people, and that made him a very popular member. I do not have the numbers with me but I think when he was first elected, his primary vote was in the 30s and at his last election it was somewhere in the 70s. That is a testament to the work he did for and in his electorate. Probably my favourite Tuck story was when, as candidates, we were on the campaign trail doorknocking—in which he was a big believer. We went to every house in every town. We did not get a lot of downtime; we generally ate as we travelled between towns. I remember stopping at a roadhouse where Tuck had ordered a burger with the lot. We hopped back into the car and out came the maroon bathroom towel. He kept it in the door of his car and it would emerge. He would wrap himself in it, a bit like you would wear a big napkin, and proceed to consume the burger with the lot as he drove on his way to the next town. God help us if he were ever our spokesperson for road safety or something like that. We would arrive at the destination and off would come the bath towel; it would be flicked outside and all its contents would be removed. He was really instructive in how to use the “Tuck towel”, as we called it, but I have not seen anyone else quite pick up that tip yet. Anyway, he never got any of that burger with the lot on his shirt! I would like to wish Tuck and Noelene all the best in their retirement, and safe travels in their caravan. Tuck has joined Facebook—I think it is more Noelene than Tuck—so we are getting some regular updates and from what I saw recently, I think they are heading to Lake Eyre.

To my good friend Mia Davies, the member for Central Wheatbelt, I would like to congratulate her again on her re-election. Achieving a 72 per cent two-party preferred vote does not happen by chance; it happens by sheer hard work and Mia constantly puts in the hard yards. To Shane Love, the member for Moore, and my local member, it has been a pleasure working with you over the last four years. Your hard work and determination is also reflected in the strong vote in your seat. To Paul Brown, a former member of this place and colleague of ours in the Parliamentary National Party, you gave it your all, despite the odds being stacked against you. You never gave up and I have never seen anyone work as hard or as tenaciously as you did. I wish you and your family well for the future and look forward to your ongoing counsel and friendship when I am in the midwest part of my electorate.

I would now like to focus on some of the issues that arose during the campaign. There are probably none bigger than how each party planned to deliver royalties for regions. People would commonly raise it with us as we were doorknocking or traipsing around. We were often accused of talking about it too much but the reality is that not until we meet with communities and knock on people’s doors do we realise how important people view this program, which has been delivering so much for the last eight and a half years. On 2 March 2017, the then Leader of the Parliamentary Liberal Party and Premier of Western Australia submitted the Liberal Party’s election commitment costings to Treasury. On 8 March 2017, the under Treasurer responded and I quote —

Royalties for Regions (RfR) Realignment

The commitment to fund from the RfR program \$350 million in 2018–19 and \$450 million in 2019–20 in rural service provision currently funded from the Consolidated Account has been assumed to be fully absorbed within the existing RfR program, thereby delivering a full \$800 million net operating balance and net debt benefit over these two years.

When the costings came out, I could hardly believe what I was reading. We had spent quite a number of years telling voters to be careful of how other parties committed to royalties for regions. Everyone says that they are committed to royalties for regions but they will do it better. That was the catchcry of the election, but this was something I did not think I would see in such a short time frame after the program’s implementation some eight and half years ago. I immediately called one of our quite senior and experienced chiefs of staff to one of our ministers at the time and relayed to him what I thought I had read and understood from Treasury’s document. His response was, “It couldn’t be true; it must mean something else; we’ll have to have a look at it and find out about it.” But from what I had read, it was pretty clear-cut. There would be an \$800 million reduction over two years, which would have commenced from 1 July this year, to align with the Liberal Party policy to fund ordinary government services, including water, buses and remote area communities, from royalties for regions. Despite this release coming three days prior to the election, I think it gave us the boost we needed as we headed into that Saturday poll. Everyone was getting tired; they were ready for a rest and wanted to see their family. That commitment certainly reinvigorated me to go hard for the last few days up to the finish line. Not long after the release, we saw a lot of commentary; the media ran pretty hard on it. We saw a lot of our opposition candidates singing from the same hymn sheet that, “It wasn’t a cut; it was actually a boost; we’re directing it more to local governments. Local governments will be the beneficiary of this decision.” Then we saw it

emanating on social media. At this point, I could not help but engage with the Liberal candidates in Roe, Central Wheatbelt and Moore, who, in my view, had been absolutely convinced by the talking points they had been provided. I put one simple question to them: how do you achieve an \$800 million benefit to the operating balance and net debt over two years by spending more money, not less? They did not answer that question. After the election I felt compelled to ensure that I was not incorrect on this point. For the second time in my life I issued a freedom of information request to Treasury. This confirmed for me what I already knew: the 61-page document contained an email dated 8 March, the day on which the Under Treasurer released his response to the Liberal Party's electoral costings. I quote from that email —

In order to clarify the underlying assumptions of the Liberal Party's policy on costing and funding of election commitments for the 2017 State Election submitted to WA Treasury, I wish to state the following:

The Liberal Party's policy is that it will allocate \$350million in 2018–19 and \$450million in 2019–20 from the Royalties for Regions fund to the Consolidated Account for the purpose of paying operating costs for services in the regions currently paid by the consolidated account.

This election commitment overrides the decision by the previous Government to allocate part of the unallocated funds in those years contained within Royalties for Regions fund to capital projects. It is the intention of an incoming Liberal Government to allocate the full \$350million in 2018/19 and the full \$450million in 2019/20 to recurrent programs.

Please call to discuss.

I cannot tell who sent that email in response to Treasury's question because that information has been removed as part of the release of those FOI documents. I seek leave to table those documents, being the correspondence from the then Leader of the State Parliamentary Liberal Party to Treasury and Treasury's response dated 8 March 2017.

Leave granted. [See paper 277.]

Hon MARTIN ALDRIDGE: I want to move on now to the Labor Party, which also had some questionable tactics during the election campaign. I am most disappointed that my friend and colleague Hon Darren West is away on urgent parliamentary business, because we engaged in some interjections during his Address-in-Reply and he challenged me to have a look at some of the statistics from the electoral campaign. I came fully prepared to engage with Hon Darren West, but we will leave that for another day perhaps!

In the seat of Moore, where I probably spent most of my time during the election campaign, things turned particularly nasty at times and we had a Labor Party candidate who seemed to have significant influence over some of the local community Facebook noticeboards. She would block political rivals and would use these so-called community noticeboards to espouse her messages while blocking others from participating or even viewing the noticeboards. That is a rather questionable tactic and one that I still think the community is not fully aware of. There may be some reason that there are so many community noticeboards in this particular community; it may be because of the type of censorship that was applied by this particular person through this campaign and before this campaign. There were a number of candidate forums this time around and this particular candidate, the Labor candidate, would say or do anything with almost next to no scrutiny applied to her. She went to a forum and said that her position was to have a statewide ban on fracking and that there should be drug testing of welfare recipients—two policies that are not in line with those of her party. Despite this, she failed to even convince voters in her local community of the merits of voting Labor, with the Nationals winning the booth, I think, for probably the first time in living memory.

On polling day it was also interesting to observe the Labor volunteers doing a very good job of distributing the signage of the Chamber of Minerals and Energy of Western Australia. It will be interesting to see the election returns when they finally come out to see what is disclosed about the chamber's interactions with the Labor Party and particularly the donation of goods such as corflute signage and other materials. At one of the booths I was setting up early in the morning, it was interesting to see an exchange between the Labor candidate and her volunteers. When the CME mining tax signs were pulled out of the candidate's car, the volunteers responded by saying, "If you put those up, I'm out of here." It is interesting that the volunteers on this booth were clearly supportive of the policy of making sure that the special lease rental applied to BHP and Rio Tinto in Western Australia is modern and reflective of community expectation and that those companies pay their fair share. In this instance I did not see many of these signs put up on polling day and I wonder whether it was because what occurred at this booth was potentially occurring at other booths, with some real true, I guess, Labor-valued people saying that they thought there was some merit in the proposal.

I would like to spend a moment discussing the administration of the election. In my first speech to this place I congratulated the Electoral Commission and the commissioner at that time on the conduct of the 2013 election. As a former state director of a political party, I have been quite involved in the operation of elections at various

levels and I think that has spurred my interest in all matters relating to elections. I must recognise that it is no easy feat. The logistical exercise associated with running an election is immense, and we have only to look at some recent history federally when the Australian Electoral Commission had clearly not performed at a level that we expect it to. I think there are always ways we can improve what we do and how we do it. It has become my view though that there is inadequate oversight over the Electoral Commissioner and the Electoral Commission by this place. Similar to the other jurisdictions, I believe there should at least be a select committee, if not a standing committee, established to inquire into electoral matters, including the conduct of elections.

Members who served with me in the last Parliament know that I introduced a private member's bill to amend the Electoral Act that passed this place. During the second reading debate on that bill I believe that there was unanimous suggestion, if not support, for the establishment of such oversight of the Electoral Commission and consideration of electoral matters in Western Australia. I hope that is something we can continue to talk about in the life of this Parliament. In my view, the Electoral Act itself requires a review in many respects. It is quite an old act dating back to the 1900s and it has had a lot of piecemeal reforms made to it over many years. I am not quite sure when the last major review of the Electoral Act was undertaken. I was led to believe that there was an internal review of the Electoral Act when Hon Norman Moore was Minister for Electoral Affairs in Western Australia, but I am not quite sure how extensive that was or what resulted from it. In my view, it has outdated offence provisions, and I do not think this is something the Electoral Commission would disagree with. There is a range of things that I think it struggles with as a result of some of the outdated provisions in the Electoral Act. I am sure that members will be aware of the challenges that arise from the authorisation provisions of the Electoral Act relating to election advertising materials. Almost every day of the election campaign we see breaches of the Electoral Act in relation to the authorisation of election materials and the Electoral Commission does nothing about it. I do not think the commission has even prosecuted anybody for it, so it begs the question of why we even continue with the requirement to authorise election materials. I understand the reasons it would be done, but in my view it has reached the point of the Electoral Commission not even following up complaints about breaches with respect to the authorisation of election materials fully. That was certainly an issue I observed during the election campaign.

One of the other really quite odd offence provisions in the Electoral Act 1907 is that the holding of a committee meeting of a candidate on a licensed premise during an election period is prohibited under the act. I am not sure how many members are aware of that and how many held campaign committees meetings on premises licensed to serve alcohol during the election period, but they would have committed an offence under the Electoral Act as it stands today.

Hon Colin Holt interjected.

Hon MARTIN ALDRIDGE: Correct.

Hon Peter Collier: I'm not!

Hon MARTIN ALDRIDGE: Anyone owning up?

Hon Colin Holt: Not by interjection!

Hon MARTIN ALDRIDGE: When candidates seek advice from the Electoral Commission on a range of these things, firstly, it will not give advice. The Electoral Commission says it is up to candidates to read the act and seek their own legal advice, but at end of the day candidates are on their own. I think some of that might come down to resourcing. I had some conversations with the Electoral Commission during the campaign, and it said to me that it was not able to deal with providing advice to candidates or parties that may or may not find themselves in breach of the Electoral Act. I think that is quite concerning, because it is the body principally responsible for the act. I would think it would be the body that would bring prosecutions for offences under that act. I compared the Australian Electoral Commission, which may well be resourced differently, and found it has much more briefing and explanatory materials available to help guide candidates and parties through their legal requirements with respect to the commonwealth Electoral Act.

Another unusual provision relates to some of the bribery offences. I will not go into great detail about those, but, essentially, a candidate is committing an offence under the act if they give moneys that they would not ordinarily. Let us say a candidate donates to a local cricket club for its Country Week event—it might be \$100; if they have not ordinarily given that cricket club \$100 on a regular basis in the previous years as a member of Parliament and it is a first-time donation, they are committing an offence under the Electoral Act bribery provisions. There are some famous cases, and I think one is referred to as the “sausage sizzle case”, when a candidate, if not an MP, was prosecuted—I think the commonwealth Electoral Act has similar bribery offence provisions—for offering a free sausage sizzle to people who attended an event. That was alleged to be bribery under the commonwealth Electoral Act.

At best the financial disclosure rules are weak, if not dysfunctional. There needs to be a complete overhaul of financial disclosure rules within the Electoral Act in Western Australia. I think one of the other areas in which

I took particular interest in the last Parliament was some amendments that were brought in by the government to introduce a technology-assisted voting system—iVote. I brought some amendments to this place—I think one was passed and one was not—on the integrity of the iVote system that was used to assist voters by way of technology at this election. Since the election I have read with interest that some experts—I do not have the article with me—in cybersecurity are raising some question about the security and integrity of the iVote system used. I think that is something we should explore further, and certainly something I took an interest in when we were dealing with the legislation in the last Parliament.

I think there was another real challenge. I would be interested to know the experiences of other members, but this was the first election when we had a three-week early voting period. My view was that that was a complete disaster. I think the Electoral Commission was incapable of delivering three weeks of early voting. That may be a regional perspective because there are some significant logistical challenges in getting materials, particularly enough ballot papers, to polling places. I think the number of people who were going to vote early was underestimated, because, remember, this was the first election in which we could vote without having to justify why we were voting early or come up with some excuse as to why we were voting early. I think we saw high numbers in relation to early voting. I have a whole range of issues that I think need to be explored on early voting. I think three weeks is simply too long in the circumstances we experienced at this election without some significant change. Considering the window between the close of nominations and the opening of the vote, I just do not know how a statewide logistical exercise of printing all those ballot papers, checking them, couriering them and having them there within about a week can be turned around. It showed in the examples I have within my electorate. I am sure the Mining and Pastoral Region could have been even more problematic, simply because the delivery times of getting these materials to the places where they were needed is even more challenging than in the Agricultural Region.

I have had reports on early voting about not having the ballot papers, incorrect ballot papers and providing the wrong ballot papers. We even had occasions when the Electoral Commission published that an early voting centre was open, but when the ballot papers ran out it was closed. I understand provisions are meant to be in place so that ballot papers can be hand-printed. Some public buildings, like libraries, were used as early voting centres. I think they are incompatible with being an early voting centre, particularly in a country context where there are some unusual opening hours or they close for lunch because there is only one librarian and things like that. I think there really does need to be greater consideration of early voting at the next election, whenever that may be.

To conclude on this point, I think the time has come for a quite wide-ranging review into the Electoral Act and Electoral Commission. I think it should be done in two parts. I think the first should be a review of the conduct of the election and the performance of the Electoral Commission. I think that should be standard practice after every election. It surprises me. Although we have some committees in both houses that could have, within their remit, the opportunity to take a closer look at these things, I think we should have a look at what occurs in perhaps New South Wales, federally or in other jurisdictions where they have standing committees with responsibility for electoral matters. I would have thought that the first thing after an election would be to conduct an inquiry of that election, and the performance of the Electoral Commission.

I think that the second part of an inquiry into these matters should review a whole range of other things, including the appropriateness of the legislative framework and options for reform. As the National Party's spokesperson on electoral matters, I would like to pursue that in this place in the coming months, particularly knowing there is some commonality already between the parties—noting the new members and parties in this place—from conversation we had in the last Parliament on electoral affairs.

I would like to thank some of the people who assisted me during the campaign. First, I would like to acknowledge a group of people within my party who played a big role in my re-election and who are why I remain determined to make a difference in this place. The Young Nationals is simply an amazing group of young people. I am sure the same could be said of the youth wings of all our political parties. This group of dynamic, politically motivated young men and women literally traversed this vast state of ours in their green and gold minibus. I can assure members that what is said and done on the green and gold minibus stays on the green and gold minibus! It was not terribly comfortable. But, gee, these young men and women did an amazing job of getting around regional Western Australia in the lead-up to the election campaign. They would often roll into town en masse and give our candidates and campaigns the boost we needed when we were starting to run out of energy, and they never disappointed. They worked very, very hard. I may be biased because at the moment I have the great privilege of being the patron of the Young Nationals in Western Australia—a role I think will transition at our conference in August—but I was overwhelmingly the beneficiary of the Young Nationals as a young person, and I am sure many others in this place could say the same about their youth wings. I absolutely love giving back to our young Nats, because they have given me so much. This afternoon I would like to recognise some of the mainstays who devoted themselves to our campaign. To Jason Turner from Geraldton, thank you for your unwavering support and the many kilometres that you trekked on the doorknocking trail. To

Tori Kirk from Wagin, thank you for your efforts, your infectious smile and your wonderful ability to engage with people. Thank you also for the work you have been doing in recent months in my parliamentary electorate office. I wish you all the best in your future endeavours, wherever they may take you. To Siobhan Blake from Denmark, thank you for being our constant. It is hard to believe you are just a school leaver. You have a maturity beyond your years and I think there are some great things ahead for you. To Jess Hayes from Badgingarra, thank you for your contribution as both a member of our staff and as a young National. It has been a pleasure to work alongside you, and your efforts throughout the campaign are valued. To Tori Castledine, Heather York, Sebastian Schiano, Luke Pilkington, James Wishart, Jayde Hope-Blyth and Greg Kerry, who all made significant contributions on local campaigns where they live, thank you for your efforts. Finally, to the leader of the pack and one of my closest friends, Lachlan Hunter, I value your counsel, commitment, energy and, above all, our enduring friendship. Members, remember the name Lachlan Hunter, as you will likely hear him as a regular caller to Geoff Hutchison's program—not to be confused with John from Collie. More importantly, I hope that one day he will take a seat in this great place. I hope it is not in the other place, as his skills and abilities would be put to waste among the commoners! I would like to recognise the state director, Nathan Quigley; campaign director, Hon Jacqui Boydell; and the members of the campaign committee and state executive. These are jobs that nobody ever puts their hand up for. Thank you for your ongoing commitment to our party.

I want to pay tribute to my staff who have served with me throughout my term. There have been a few! It shocked me a little when I actually went back and reflected on the number of staff I have had.

Hon Stephen Dawson: What do you do to them?

Hon MARTIN ALDRIDGE: I do want to qualify that remark! I was also the secretary of the Parliamentary National Party, which came with additional staff, and there were other roles that I managed as well. Hopefully it is not a reflection on me, Hon Stephen Dawson. To Vanessa Shehan, Amy McAllister, Judi Janes, Andrew Corke, Josh Nyman, Jess Hayes, Tori Kirk, Brendan Storer, Allyson Cantrall, Jason Turner, Cale Hill, Isabelle Gillespie and Lachlan Hunter, thank you very much. It is not easy working for a member of Parliament—I know, because I have done it—and I am sure it is not easy working for me at times. Your contribution is important to the strength of our parliamentary democracy, and more so in a regional context where access to that parliamentary democracy is so much more challenged. To Isabelle Gillespie, who was my research officer in the lead-up to the election, thank you for placing your life on hold and moving to Western Australia at a critical time for me. It was an absolute pleasure working with you and you taught us all a lot. Above all, I hope your time in Western Australia and the friendships you have developed with me and the WA Nationals will endure for a long time.

Now to my current staff. Jo Mobbs, as our time together nears an end as I am finally able to relocate my parliamentary electorate office, thank you for your commitment to me and my family. I am not one that hands out gratitude probably anywhere near as much as I should; however, I am truly grateful for your loyalty and your dedication to me and my office. Last but not least, to my long-term staffer and friend, the ginger ninja, Joseph Lundy; we go back a long way, Joe, and I am so glad that you have stuck with the Nats and politics despite temptations to head in other directions. You have truly gifted talents in politics and policy, and our state will be a better place for people like you continuing to make a contribution. I hope one day you will get the bug to serve as a member of this place, as you will do us all proud—of that I am certain.

Before I conclude my remarks today I want to acknowledge, last but not least, the contribution of my family to the time I have spent in this place, and particularly, I guess, the difficult and often long times away on the road during an election campaign in an electorate that is some 280 000 square kilometres. Firstly, I would like to recognise the passing of my grandfather in November last year. Timothy John Aldridge, or “Big Pop” to his grandchildren, was a big influence on me, and none more so as I embarked on my parliamentary service. I miss him dearly, but know that he is finally at peace after a long illness.

I entered this place on 5 April 2013. I had no children; now I have three—so much for being away from home a lot!

Hon Simon O'Brien: Get a television!

Hon MARTIN ALDRIDGE: I think we need more televisions. Casper, the eldest, is three; Piper is two; and our youngest, Dominic, turns one in July. My children are the most amazing gifts I have ever received and I treasure them every day. I despair that I do not get to spend enough time with them as I try to balance life as a regional MP with that of raising a young family. On that note, I want to recognise my partner of 12 years, Dale Spark. Dale is the best mother one could hope for and continues to amaze me at how well she manages our three children with the time that I spend away from home. The job can be unforgiving, but Dale keeps me grounded and reminds me of that which is important.

Congratulations to all members on their election or re-election to this place, and all the best for the fortieth Parliament. I look forward to serving with you over the next four years.

Debate adjourned, on motion by Hon Ken Baston.

LOAN BILL 2017*Second Reading*

Resumed from 24 May.

HON Dr STEVE THOMAS (South West) [12.16 pm]: It appears that I am the first speaker!

Hon Stephen Dawson: Excellent.

Hon Dr STEVE THOMAS: Excellent! Thank you for the opportunity, Mr Acting President. Members will hopefully forgive me and give me a little largesse if I tend to continue a theme that I started in my first speech back, which was a rather forensic analysis of the economic fortunes of the state of Western Australia over a period of time. I was inspired by the words of Hon Simon O'Brien during the week. I was in the chair, and he is a little hard to hear from that distance, but I did —

Hon Stephen Dawson: He is an inspirational character.

Hon Dr STEVE THOMAS: He is an inspiration to us. Hon Simon O'Brien said that the Legislative Council is subject to —

The ACTING PRESIDENT (Hon Robin Chapple): Order, member! Can I confirm that you are the lead speaker?

Hon Dr STEVE THOMAS: Yes, I am the lead speaker for the opposition.

I was praising Hon Simon O'Brien and was interrupted in full flow! Hon Simon O'Brien was discussing the fact that the Legislative Council is an independent body and occasionally has to push back against the other place, the government and even Premiers of the day when it is appropriate. I will begin by going back to some of those key issues I discussed in my first speech about the economic management of the state. In that first speech I held up a number of charts to demonstrate some of the key material. If members are interested, I have a number of charts available in paper form that will demonstrate the various things I am about to talk about, over what I think will be a fair period of time. If members are interested in a more forensic examination of the financial state of Western Australia, I suggest they come and see me. Mr Acting Speaker—Mr Acting President, sorry; that was a slip back to somewhere else! I started that particular address by talking about what has effectively been the greatest financial boom in the history of Western Australia and certainly in over a century—perhaps the greatest boom in a millennium—and how governments on both sides, both Labor and Liberal, have experienced and enjoyed the benefits of some of that boom. We know that the revenues of the state increased dramatically over that time—effectively from 2001 to 2013–14, when the correction started to occur. That was when the expenditure of the state started to exceed the revenue for a couple of reasons. The first reason was a correction in the mining royalties boom, in particular, iron ore, which increased by 2 000 per cent over that period. It increased from a couple of hundred million dollars a year to \$5 billion a year—a massive increase in revenue in that period. In the case of both governments, it was followed by a corresponding increase in expenditure. I want to come back to that and discuss where that expenditure has gone over time. This will be addressed in a number of parts. The first part will expand upon where I got to in my first address to this Parliament and talk about the financial position. Following that, I want to talk about how the future progresses from there. As a house of review, we need to demonstrate that we understand not only how the state got to where it is at the moment, but also how the state will change that position in the future. I will ask the government about its plan to manage the fiscal economy over upcoming years, and I will also talk at some length about the Liberal proposal, which involves the sale of Western Power.

Let us go back to the sheer basics. As I said in that first speech, there was a significant increase in both revenue and expenditure over two governments over four periods of Parliament. It has been said a number of times that the rise in population over that period was a significant contributor to the increase in expenditure. I will look at that a little bit more forensically. Revenue and expenditure went up by a significant amount. The population increase over the last eight years was about 2.46 per cent per annum—just under 20 per cent over that period. That increase is significant; it is higher than the Australian rate of population increase and the recent history of population increase in Western Australia. I ask honourable members: what was the increase under the previous government? It was just about dead on two per cent a year over the eight-year period. That is about 16 per cent. We need to look at the increase in population over previous governments. Governments prior to the Gallop and Carpenter Labor governments of 2001 to 2008 also had to deal with population increases. Those increases were in the order of a bit under two per cent. Increases in population as a component of government budgetary plans have to be dealt with within the normal operations of government. This is important. During the 1990s, the population increased at a bit under two per cent. By 2000, the fiscal boom was starting to move. As the fiscal boom started to move and as the resources sector in particular started to require a fairly major workforce, we started to see significant increases in population. The increases in population were in the order of 0.2 to 0.3 per cent per annum under the Labor government and 0.46 per cent per annum under the successive Liberal–National alliance government. We do not call it the coalition, do we? I have been in the federal sphere too long.

Although there was an increase in population, I say two things to you, Mr Acting President. Every government has to plan for increases in population, and has to incorporate that into its fiscal plans. The increase was about 0.3 per cent per annum and then 0.46 per cent per annum, which is not insignificant. That increase is far higher than was the case in the rest of Australia. It is one part of the consideration of the fiscal plan that both governments during the boom from 2001 to 2014 needed to work into their various plans. It is important to remember that every government since the formation of Western Australia has had to deal with an increase in population.

As I will get fairly technical in this debate, I am happy to take interjections. Usually when a member talks economy, everybody switches off. We tend to use economists' personalities to keep them from producing progeny, and I suspect that we might be in that case. Hon Stephen Dawson has not taken a note yet.

Hon Stephen Dawson: I have!

Hon Dr STEVE THOMAS: It will be interesting when I come to how the new government will deal with the fiscal legacies of two governments, both Labor and Liberal. We saw in the chart I showed in my inaugural speech that the increase in expenditure and the increase in revenue did not suddenly appear in 2008. If members remember the charts, 2008 flattened out with the global financial crisis. A Labor boom was followed by a Liberal–National boom in the process. Two governments have dealt with a major increase in both revenue and expenditure. Honourable members are likely to be quite bored by this, but I want to spend a little bit of time talking about the difference in our budgeting systems —

Hon Stephen Dawson: Famous last words.

Hon Dr STEVE THOMAS: I have not finished yet.

I will talk about the difference in our budgeting systems between accrual and cash accounting in various government systems because I have worked in both state and federal systems. In the state system, new members will see that the budget will come out with an accrual accounting system set of papers called the general government operating statement, and, afterwards, it will come out with a cash operating statement. Appropriation bills in Western Australia, compared with the federal bills, pull out the capital appropriations and puts them into a separate bill, and it can be quite difficult to work out precisely where funding will go. I note with interest that there is a conversation federally about doing the same thing that the state does. It might be convenient to put capital expenditure to one side and divide it into good expenditure and bad expenditure. The good capital expenditure is probably stuff that you do not pay any interest on, and the bad expenditure is probably stuff that you do pay interest on. If you can show me something that you can borrow that you do not pay interest on, you are doing remarkably well. It would be something of a furphy to say that there are good and bad capital investments in terms of repayments because governments have to pay interest on all of it. That is not to say that there are not good and bad investments of capital. If governments invest in capital infrastructure that develops the economy, improves the way that people do business, enhances the economy and promotes growth, despite the fact that interest is still paid on it, that is a good outcome—unlike when investing capital in things that do not stimulate the economy. I note that the Minister for Regional Development is famous for recently talking about flower gardens developed in various towns under royalties for regions. As disturbing as this might be, I have some sympathy for that opinion. I have seen some very good capital investments out of the royalties for regions fund that will develop the economy, develop infrastructure and stimulate local business, but I have also seen a significant amount of that funding go into beautification programs that do not necessarily achieve a business outcome.

Hon Colin Holt: Like what?

Hon Dr STEVE THOMAS: I will come back to that in more detail in a minute.

Hon Martin Aldridge: Peter signed off on them.

Hon Peter Collier: On what?

Hon Martin Aldridge: On the petunias he's talking about.

Hon Dr STEVE THOMAS: On the petunias?

The ACTING PRESIDENT: Please continue.

Hon Dr STEVE THOMAS: Thank you, Mr Acting President.

Governments get into difficulty when we come to what we call social infrastructure. The most obvious example is probably when a government constructs a hospital. If the government builds a bigger hospital and provides medical services, it adds an additional cost to the operating budget over time. Some social infrastructure is required. During that period of boom both governments invested in some good fiscally stimulating infrastructure, and some social infrastructure that, although a long-term cost to the budget, could be considered good social infrastructure. I will give members some examples. The Labor government invested significantly in the Perth–

Mandurah rail line and it put the first billion dollars into Fiona Stanley Hospital; the incoming Liberal–National government put the second billion dollars into the Fiona Stanley Hospital. I do not think that any member of the Liberal Party would suggest that any of those were bad investments, but they were also investments that over time would add to the strain on the consolidated fund and the operating expenditure of the state. We need to be very careful where we expend those moneys.

The advantage of capital expenditure, in particular, in economically stimulating capital expenditure, is that at the end of that boom period we can reduce that spend quite significantly. Basically, a major building program occurs and when the boom starts to slide away, which we have seen happen, we can then reduce the build spend to pick that up. That becomes a way in which we can manage our budget. I will come back to other ways we can do that, because it is obviously the way we prepare for the boom and plan for that expenditure. We can reduce capital infrastructure but it is much more difficult to reduce salaries over time. I need to come back to that in a bit more detail. It is obviously quite proper to allow that sort of investment.

When we talk about that level of capital investment, it is extremely interesting to look at some of the technical details. The question I ask myself as we move into this process is: how much have we spent on fiscally stimulated capital and on social capital? It is often difficult to work out how much we have spent on capital compared with everything else, so I have done some research to look at that process. I will return to that in more detail soon. Members will remember that we have talked about defining the boom; that is, the 15-year period from 2001 to 2014. The question always comes up: at what point during the planning for the revenue and expenditure in government did somebody in Treasury decide that iron ore prices of \$140 a tonne were the norm? I want to pay tribute to a minister in the previous government, Hon John Day, who was the Minister for Planning and then Minister for Health. He always had a plan, going back to my time in opposition a decade ago, to pick up the boom revenues and separate them out of the general government economy and to hold that money separately for key projects. At the time, he called it a futures fund, and we could talk in detail about how the Western Australian Future Fund was set up, although not necessarily with the kind of results we expected. Hon John Day's view was that when we have a boom, we put the excess away. For those who are in the farming community, when the wheat price goes up to \$500 a tonne, I do not know many farmers who would assume that it will be \$500 a tonne forever and a day and set their budgets accordingly, so suddenly their fence posts are gold-plated and their wire stainless steel. But, in effect, that is what has happened with the fiscal economy.

My view is that we should always take a fairly conservative approach to the estimation of income. I will tell members why. It is a bit like being a veterinarian, which I am for those who do not know. Here is the secret to being a veterinarian: always be a little pessimistic! If I go along and say that an animal is not very sick and that it will be fine, and I cure it, people think I did not do anything; but if it dies, I killed it! If I take the same animal and say that this animal is terribly sick but I will do my best, and it gets better, I am a miracle worker; but if it does not, I told them so! It is the secret to veterinary science. I will let that out there as one of the great secrets of the trade. I suspect, but I do not know, that the doctors and other medical professionals may take a similar view—the clever ones at least!

In budgetary terms, let us say that the government assumed that the iron ore price was going to be particularly high and it factored that into its budget for the future, most particularly into its forward estimates, which are critical to the long-term management of the budget—there is no more important mechanism than managing those forward estimates to tell a government where it is going in the fiscal process. If the government factors in a relatively low price, and the iron ore price is higher, what is the outcome at the end of the financial year? Its pessimism has resulted in additional revenues, which now sit in a pool because the love of government is that it does not pay tax on it. This revenue sits in a pool and can then be apportioned to major projects. I remember in my time as shadow Treasurer, the then Treasurer Eric Ripper apportioned some of that money—for example, \$1 billion went to Fiona Stanley Hospital. That is what happens if government is completely conservative about the iron ore estimates that it puts in place. If it puts in a very high price for iron ore and that is not reached, instead of having a pot left over with which it can do something, it has a hole. Hon John Day recognised this fact way back in about 2007 from memory, and he suggested a future fund. His suggestion was that if we managed expenditure, the extra revenue coming from what he and I both recognised as a short-term boom in the iron ore price, which would drive a short-term boom in the fiscal economy, would be sitting in a pot ready to put into major investment in infrastructure. Remember, I am not playing political favourites because the boom and the growth of revenue occurred over the period of two governments. If anybody in Treasury suggested to either government that the iron ore price would stay at over \$100 a tonne for any significant period—I am talking for more than a couple years—they should be sacked. Members will remember that the chart I displayed in my first speech recognised that the long-term price of iron ore in 2006 had been between US\$45 and US\$60, and had been for 110 years, until the boom that Western Australia just experienced. Any person who is still in Treasury and who suggested that the iron ore price would stay at \$140 a tonne in the budget for the future estimates of Western Australia with which government has to manage its fiscal economy should be sacked for incompetence now! Treasury should have taken an immensely conservative approach to the price that iron ore would revert to.

I think the price hit \$180 a tonne at one of the peaks of the spike, but it sat at around \$140 a tonne for a while. If Treasury's advice was that the government could expect that sort of revenue growth over time, then Treasury would be incompetent, and governments should not have accepted that advice if they had received it, because it left the fiscal economy of Western Australia in a significant hole.

It would have been worse had not the volumes increased concurrently with the price initially. Of course, price drives volume. It is a well-known economic fact that price drives our turnover. If someone is making money off a product, they are going to try to increase volumes. It happens in farming and in every small business. The high price at over \$100 a tonne drove significant increases in production and export. Let us look at what is happening to iron ore royalties. They went from \$200 million a year up to \$5 billion a year, and since the correction that started in 2013–14, they have dropped slightly but the volumes have kept those iron ore royalties up. That continues to impact our economy and our GST returns, which as we know from our previous discussion is not simply the commonwealth government pulling money out of an economy that was flat and trying to do us more harm, but was a result of a return to normal, over time, because of a redistribution.

I want to make a couple of comments on goods and services tax redistribution before we get into more technical detail. I note with interest that despite the fact that we in the Legislative Council are attempting to stimulate an economically literate debate on the finances of Western Australia, it is certainly my intention to make sure that we lift the standing of debate, which I think has been remarkably poor and dumbed down to a point at which I suspect that the average person who is listening does not understand why our GST is what it is. I encourage all members to talk to their local constituency about what is happening with the GST and ask them what they understand about the process. I suspect that most of them will tell members, as they tell me, that we went along perfectly happily and then suddenly the horrible people from Canberra stole all our GST and that is why we are poor. It is never discussed that this is a result of a major increase in the revenue of the state.

The Productivity Commission inquiry into what we call horizontal fiscal equalisation received a submission from the Commonwealth Grants Commission, which, to all intents and purposes, is the villain of the piece. It effectively takes away all the money because it does not like Western Australia. That submission states a couple of things. Obviously the commission was established in 1933, so I think it is coming to the end of its trial time! Probably most importantly it states that after governments agreed in the mid-1970s to a full and comprehensive equalisation for all states, the commission was given the task of advising how this could be achieved.

Basically, there was agreement by our forebears in the Parliament and government of Western Australia that horizontal fiscal equalisation was actually a good thing. I am not entirely sure when it became the enemy, unless it was when it was not to the benefit of Western Australia, which is something about which we need to be very cautious. Those members who are old enough will probably know that Sir Charles Court took over in 1974. I would imagine that Sir Charles Court, a man for whom I have the deepest respect, was proudly Western Australian and very partisan about our particular interests. I think Sir Charles Court looked at this and said that it obviously makes sense. Horizontal fiscal equalisation is a relatively fair and just tool. That is not to say that there are not things that need to be done to improve horizontal fiscal equalisation, because there are.

Hon Colin Holt: Maybe get rid of it.

Hon Dr STEVE THOMAS: The question is: why? Let us address that because I think it is important that we talk about why it exists and what we could do instead. The commentary in the press and the media at the moment—I see it all the time—seems to be that the enemy is horizontal fiscal policy and that if we could only get our share of the GST per capita, we would have all this money to spend. I read that in a major newspaper last week. As I said in my inaugural speech a couple of weeks ago, if we ask to be given our share of GST per capita, because it is a consumption tax, it is directly and unequivocally related to population and consumption. If we say that, we are saying that we are not sharing the boom. Hon Colin Holt made a good interjection. My question to him is: should Western Australia keep the entirety of the greatest boom it has ever had, or is it appropriate for it to share some of that with other states?

Hon Colin Holt: The question you should actually be asking is whether horizontal fiscal equalisation provides the opportunity for other states to do the lifting as well.

Hon Dr STEVE THOMAS: That is a very good question as well. I would still like to hear the answer to my question first though before I move onto that.

Hon Colin Holt: I think we already do.

Hon Dr STEVE THOMAS: Yes, we do, but I am asking whether it is appropriate.

Hon Colin Holt: We do, through other mechanisms as well.

The ACTING PRESIDENT: Order, members!

Hon Dr STEVE THOMAS: I am not sure I heard a response to that question. It was like asking the government a question. Actually, that is unfair; the minister gave me an answer yesterday, so I take that back.

The question is whether horizontal fiscal equalisation is an appropriate tool. I cannot believe that Sir Charles Court ignored it as a concept. It was agreed to by governments, state and federal, in the mid-1970s. It was not an issue until Western Australia was no longer a beneficiary. It is an issue and it does have an impact. My reason for referring to that is that the iron ore price was given a fillip over the past six months or so. It sits in a band between about \$45 and \$60 a tonne. It went up to about \$80 a tonne there for a while. That is quite good for state revenue because it means the state gets more money. However, we know that iron ore royalties in particular are the reason that our own state revenue is so high, and that is why our GST return is so low. As the price goes up, the government will have more of a problem because that will be worked into the calculation. It is calculated over an average of a three-year period. In my view, real-time calculation of GST returns is one of the things that we are not talking about. It is a dangerous concept because when it was to Western Australia's benefit to average the price over five years and then three years, we said that it was a damn good idea. At the beginning of the boom, the major beneficiary at the time was the former Treasurer and my erstwhile combatant in the place that shall not be named in my role as shadow Treasurer, because he was receiving the benefit of the averaging out. As the income went up, the correction was delayed. That is why on the charts of increasing revenue and expenditure, he got an initial fillip. This is why the government has had the money to invest in major infrastructure projects, which I have said are great and with which we agree—that is, the Mandurah railway—because the process at that time of averaging over five years, and later three years, meant that the balancing effect of the Commonwealth Grants Commission was deferred. Of course, that is a bigger issue now because as the iron ore price goes up, the negative impact of revenue by the state means that we will be penalised for another three years.

In my view, real-time calculation of GST revenues to adjust for what is a fairly volatile indicator, which is commodity prices, is absolutely essential. That is one of the things we could do to improve the relativity of Western Australia at a time when it would have an impact, because we do not seem to be very good at planning for future variations. As I said before, it is critical that we look at the forward estimates to measure where we are going. If we are not very good at that, we will have to fall back to the approach of relying on pocket money. In my day we used to get about \$2 a week in pocket money. The tuckshop was very cheap back then, so we did not need much money. If we cannot manage the flow of money in and out when we need it, we basically must plan to store it, so we need to be able to choose whether we can manage that. I think that because the state has not been great at managing the forward planning of the economy, it is essential that we go back to a real-time, year-by-year calculation of the GST, because that is critical in a volatile marketplace.

I want to address a couple of other points about that calculation. I return to the comments of Hon Colin Holt about encouraging the states to develop their own revenues and the potential change of the distribution to make that happen. Talking about media, a major mining company has come out in support of that process and one would expect it to, for two reasons. The first is that it is a resources development company so one would expect it to be supportive of anything that promotes resources development, no matter where it is. The second is that other proposals are just for resources companies to pick up the dropping of the GST, so if the choice is us or them, they will always choose “us” and make “them” pay. It is therefore not surprising for the major resources sector to say, “Let's change the system.”

It is important that states be encouraged to develop their own economies, but it is a double-edged sword, and I will explain why. Hon Alannah MacTiernan—another former combatant in the place that shall not be named—and I agree on a certain issue. In our view, gambling taxes should be part of the calculation that makes it possible for Western Australia to choose not to inflict widespread gambling upon its people. She and I have both made public comments on that; we agreed furiously a decade ago and I suspect we still do. To be honest, I am not aware of any member of either chamber who would suggest that the current system is completely fair. However, a word of caution: if the state of Western Australia took what we might call the moral decision—in *Yes, Minister* terms, “very brave, Minister”!—that gambling is not part of the social fabric of Western Australia, we would need to be very cautious if we then said to New South Wales and Victoria, “If you take a moral stand on gas exploration—in particular, fracking—we will not allow you to take that moral decision; you are expected to develop those resources and make that part of the calculation of your GST, so you receive less”, at the same time as saying, “We think our gambling tax is a moral obligation; we are opposed to gambling and we demand a different rule.” As I said in my first speech, one of the biggest issues we unfortunately have in Western Australia is our expectation that the rules will be changed for us because it is convenient for us.

If this august body, the Legislative Council, was running the commonwealth of Australia, would we provide a set of rules that we varied on a whim to the benefit of one of the constituent states over another? I think we would find that that would be pretty hard to do, although it would be to our benefit. I am reminded, as I frequently am, of the words of Professor Greg Craven, who I think is an excellent speaker. If members ever get the chance to listen to him speak on constitutional issues, I can highly recommend it; it is a highly educational process. He was an adviser to a former Premier of Victoria and president of the Hawks, Jeff Kennett, and he often tells a story about Council of Australian Governments' meetings. I noted with interest commentary by the Premier during the week to the effect that the eastern states seemed to be a pretty close club—that they all got

together to talk and interact and that they all knew each other. Guess what? It is true; they do. They interact, they talk, they communicate and they have level conversations. Professor Craven has said publicly on a number of occasions that at meetings such as COAG, the other states tended to wait for Western Australia to come along and make some outlandishly cowboy-ish statement about how we know better in the west and how we need to be treated differently from everyone else. The other states would allow that to go on and then, when Western Australia moved off, they would all sit down, have a sensible conversation and fix the issues they wanted fixed. I have heard him say that a couple of times in his much more eloquent way.

Traditionally, Western Australia is inclined to expect the rules to be changed just for us, and we are kidding ourselves. More importantly, we are allowing that delusion to impact on our budget process. We are also allowing that delusion to become the widespread community opinion of fiscal management in Western Australia. I mentioned in my first speech that any proposal to increase mining revenues to the state government—I call it a tax, but one could call it a rental payment—to change the fiscal outcome of Western Australia would be utterly reliant on a new set of rules that would unilaterally benefit one state over another. That would be like a parent having a different set of rules for each child.

Hon Martin Aldridge: They did it with the iron ore fines.

Hon Dr STEVE THOMAS: The state of Western Australia had a different value for iron ore fines and the commonwealth government recognised that. There have been occasional exceptions—I am reminded of North West Shelf gas project royalties, which were passed back to the state of Western Australia in a far greater and more productive manner—but they are incredibly rare.

It has to be argued from a position of mutual respect. To come out unilaterally and say, “We have the solution: another tier of government will simply change the rules”, makes us look like we do not know what we are doing and are unable to have a sensible fiscal conversation about the future of Western Australia. It is not the only proposal out there; other ones propose that a proportion of our royalties will not be treated in the same way. As I said in my first speech, the problem with that is that every time we do it, another state gets to do it as well, so we find ourselves stuck in a situation of significant debt, and that debt is going to rise.

I want to talk a bit more about good and bad asset development. There has been some good investment by both the previous Labor and Liberal–National governments and capacity has improved as a result. I have done this calculation two ways. I have looked at appropriation bills—in Western Australia they are divided into capital and general government appropriations—and I have looked in hindsight at capital expenditure in the budget documents. Both tools are quite useful. We can look at what is called the purchase of non-financial assets in both the operating statement and the cash accounting system, and compare it with what was appropriated, and the numbers are somewhat similar. Two previous governments invested significantly in capital, but I was a little surprised to discover that the capital investment of the most recent Liberal–National government was approximately twice that of the Gallop–Carpenter government. Of course, general government revenues were also twice the amount, as a proportion, of available expenditure. Both governments put about 12.9 per cent of expenditure into capital assets. As I have said before, some of them were very good investments that improved the standard of Western Australia, but some of them have question marks over them.

I look forward to a member of the National Party speaking, as I am sure they will, on the Loan Bill 2017. I had a look at the level of royalties for regions funding that went into capital. This might be something Hon Martin Aldridge could have a look at when he speaks on that bill. I looked at that as a measure of government expenditure, particularly in the appropriation bills. The joy of the Western Australian accounting system is that it breaks up appropriations into capital and recurrent, and within those bills there is a capital appropriation for royalties for regions. To be honest, I expected royalties for regions capital expenditure to be the vast bulk of the expenditure for royalties for regions, which is a billion-dollar-a-year program.

Sitting suspended from 1.00 to 2.00 pm

The ACTING PRESIDENT (Hon Matthew Swinbourn): Hon Dr Steve Thomas—I was going to say “Taylor”—has the call.

Hon Dr STEVE THOMAS: Thank you, Mr Acting President. Is this your first time in the chair?

The ACTING PRESIDENT: No, second. Can't you tell?

Hon Dr STEVE THOMAS: Congratulations.

Just to fill members in on where I was before the lunchbreak, I had started by praising Hon Simon O'Brien. Does the honourable member want me to start again from there?

Hon Simon O'Brien: It is worth recapping.

Hon Dr STEVE THOMAS: It is worth recapping how inspiring his speech was, but we will not put it to a division! I will not go back quite that far. I was discussing the economic literacy of the state of Western Australia and how we need to manage our budget by using the old cliché “within our means”. That

cliché gets thrown around a lot. I have to say that having worked in the federal sphere for the past three years, it gets thrown around an awful lot. I will come back and very briefly do a bit on the federal fiscal economy as well, because it is most interesting.

Before the break, I was discussing the royalties for regions program. Members can look at what I said in *Hansard*. I was talking about projects that might not necessarily have been deliverers of economic benefit and drivers of economic growth but would have been social infrastructure, and then about capital investments of, let us say, questionable return to the community of Western Australia. There was a candidate in the south west for the Liberal Party in the seat of Warren–Blackwood who was very strong on the issue of royalties for regions. His name is Ross Woodhouse, bless him. He, like me, is in the isolated far-right wing of the Liberal Party. He believes that we need to not get used to having handouts from the public purse, and really that government's role is not to provide handouts but to stimulate the economy and, more than anything else, to get out of the way and allow business to develop itself. Wherever Ross went he was very good. He built his own businesses up from scratch without government handouts. I like to think that I am in a similar boat. This is about where royalties for regions potentially delivers social infrastructure of questionable economic return. I was asked by one honourable member to come up with some examples. It is perhaps a little obvious to jump to, but I will talk about Osprey Village in Port Hedland. Let us talk about the capital investment in councils, particularly in recreation centres, where councils were delivered infrastructure and, at the end of the process, had to spend money to maintain them. In some cases, they could not manage to do so, because proper economic planning does not come into the equation at the beginning of the process. Obviously, there was an iron ore boom and the north west population exploded. Because of the population required up there at the time, access to housing became difficult and rents became excessive. Let us come back to where this proper planning falls down, which is the point at which iron ore royalties start to correct themselves and when rents and housing prices go back to normal. The answer is that it was a short-term bubble of high prices, which was always going to correct fairly quickly. There are ways and means to address that without necessarily committing to major capital expenditure in places where it is only going to be required for a short time. That is the critical bit. When we talk about accommodation infrastructure in boom towns, I struggle to convince any economically literate person that long-term investment in accommodation is actually a good measure of government expenditure in a place where there is a short-term boom of accommodation requirements. Mining companies manage this all the time; they call them mining camps. When there is a boom for a while and an increase in accommodation is needed, the private sector manages it beautifully; it brings accommodation into place and when the work shifts, the accommodation shifts as well. When we talk about investment in infrastructure, the royalties for regions program has not always been the most successful mechanism for delivering that. I look forward to somebody telling me that it is, because, as I said before the break, my calculations show that in many years, less than half the billion-dollar royalties for regions budget was actually spent on capital, so I am keen to see whether there is a separate set of figures in that process. That is something we need to address, and I hope we will do so.

Before the break, I was also talking about the dumbing down of the economic debate in Western Australia. It is true that it is easy to simply blame the GST on its own for all the fiscal problems in Western Australia. We have already explained several times why that is not the case. I am sure that federal members, both Labor and Liberal, have this issue of everybody saying, "It's very easy; just fix it." Well, it is not necessarily that simple. I was particularly amused to see on the news and read in the newspapers in the last couple of weeks that a new political party would be formed with the simple, single-issue agenda of rectifying GST payments. I believe that former Labor mayor Chas Hopkins is the head of this party, this new cabal of politicians, who in my view are the economic illiterati of Western Australia. I am always cautious with crossbenchers, because occasionally there are single-issue parties. There are none present in this chamber, thank heavens.

Several members interjected.

The ACTING PRESIDENT: Order! The conversation across the chamber is not in order.

Hon Dr STEVE THOMAS: Was not the original slogan, "Just say no"? Hang on, that was Nancy Reagan; sorry. I always get that confused with the early Greens—just say no to everything. They have progressed since then. Now political parties across the board are much more educated and much more sensible about those outcomes.

We have a new political party. Members might be able to remind me what its name is. It is WA First or something along those lines. Longstanding political analysts were called upon. This party may well win a couple of Senate seats. This is going to be a player. I say to the honourable members of the Legislative Council of Western Australia that if the economic illiterati party of Western Australia is successful at winning seats at the next election, not only has my entire agenda to educate and bring up the standard of economic debate in the Legislative Council been a complete failure, but also surely the functioning of the Legislative Council of Western Australia and the government of Western Australia will be a complete failure as well. If members opposite can dumb down the argument to a point at which they say, "I will stand up for something", even though it makes no logical economic sense and it is completely undeliverable, they might win future seats in Parliament.

Our prayers in the morning should say, “God help the state of Western Australia”, because that is the state we have come to. That is not to say we have not had economic issues, but surely we can raise the debate beyond that level. I find that astounding.

It is not perhaps the only silly statement that has been made about changing the goods and services tax distribution. I hear them quite regularly. Having worked in the federal sphere, in the past 18 months in particular, I have heard threats that the Liberal Party in Western Australia will be wiped out, and only the foreign minister will retain her seat. If we allow the economic argument to stay dumbed down, maybe that is possible. However, I can guarantee that if that happens and the state Labor government is greeted by an incoming federal Labor government, nothing will change. Does the Labor Party have a guarantee from Hon Bill Shorten, the federal Leader of the Opposition, that special GST distribution rules for Western Australia will be put in place by a federal Labor government? I do not think so. Do you know what? In this new economically literate Legislative Council of Western Australia we say that we probably understand why. In my view, the federal Liberal government is not about to cut significant special deals.

I have spoken before about the proposal to exclude 25 per cent of royalties and I think that will be very difficult to deliver. That is not to say we should not necessarily work on it because it is the government of Western Australia’s role, be it the current Labor government or the previous Liberal–National government, to go to Canberra and negotiate the best deal possible. The current Premier has done that and the previous Premier did that. I still think Sir Charles Court was the best at it, and I think history proves him to be the most successful. That is the role of government, but it needs to be realistic. As I said in my first speech, going to Canberra and acting like a boy on the floor in the lolly shop, hands and feet flailing, is not the way to influence our colleagues.

When we again address those issues, the Labor Party has to face another question. We now recognise that our revenue expenditure situation, of which the GST is but one small component, has left us with significant debt. The Loan Bill before the house effectively indicates that general government debt will increase from \$33 billion to \$44 billion. General government debt increased significantly over the boom period and general government debt is the greatest growth factor. When honourable members get to budget time, they will get a great big set of books that are very difficult to read through, but it is really important they get to the baseline bits, because they can get bogged down. Being budget literate is as important as being economically literate because that is how we measure the state’s performance. I urge members to look at the budget to look for those key budget measures, and debt is critical among them. It is confusing because as we divide the budget into general government and general government plus all the associated entities such as Western Power and Water Corporation in particular with total public service revenue expenditure and debt, it gets a little bit complicated. It is in the Treasury budget briefing, which, hopefully, all members have been offered, that additional debt will go into general government expenditure. This is general government expenditure that we are now coming up for. This debt is significant. The question we need to ask ourselves, honourable members, is: what is the government’s plan to manage it? I think I have done a good couple of hours on the forensic analysis of how we got here, and there is a little bit more of that to go. Let us talk about what we do next because this is the critical question.

At one point there was a plan. I think that is fantastic because we need a plan. As I have said numerous times, honourable members, we need to plan for the future and to give forward estimates the respect they deserve because that tells us where the target is. During the election campaign, according to the great bastion and hotbed of conservative views, the ABC—no-one called me to order for that!

Hon Peter Collier: It’s not unparliamentary; it’s accurate.

Hon Dr STEVE THOMAS: The ABC stated, and I quote —

Shadow treasurer Ben Wyatt said if elected Labor would introduce legislation to establish a debt reduction account.

That sounds quite reasonable. I like a plan. To continue —

Under the plan, half of the royalties earned from iron ore would go into a debt reduction account, but only after WA’s GST share returned above 65 cents in the dollar and the price of iron ore reached \$85 a tonne.

There will come a time when our share of the GST reaches 65 cents in the dollar, when our revenues balance to a point at which we are not earning significantly higher levels than the states that we subsidise. We are always cautious about those return rates because, as we say, we do not like per capita suggestions of GST distribution because that would mean we would not share anything—we would keep our toys all for ourselves. It is interesting when we examine the iron ore price of \$85 a tonne. Members might remember that in my first speech, I used a couple of charts.

The ACTING PRESIDENT (Hon Matthew Swinbourn): Honourable member, I think you are aware of the standing orders regarding props.

Hon Dr STEVE THOMAS: We do not want a chart? That is okay. It is in a tabled paper, so members can look it up.

Hon Peter Collier: You can use them.

The ACTING PRESIDENT: My apologies, honourable member, you have already tabled it. I was not aware of that.

Hon Dr STEVE THOMAS: That is okay; I am sure you were just trying to make sure that the standing orders were properly adhered to, Mr Acting President. I thank you for your guidance.

The ACTING PRESIDENT: I do enjoy your props.

Hon Dr STEVE THOMAS: Thank you. Members will remember that that chart from my research and that of the federal Parliamentary Library indicated that at the peak of iron ore between what we call the boom times, 2001 and 2014, the price got above \$80 a tonne, but in 1957—this is in 2006 dollars—it never reached that.

Hon Jim Chown: How many years was it above \$85 a tonne?

Hon Dr STEVE THOMAS: It was \$85 a tonne for approximately three financial years in the greatest boom in the history of Western Australia.

If members do not trust my figures, they might remember that we looked back at 110 years ago through City Research to discover that that three-year boom was the only one in 110 years. A plan seeking to reduce debt when the iron ore price reaches \$85 a tonne will come into action, on average, in three financial years every 110 years at best, and maybe in three financial years every 1 000 years for all I know. It is only once in a potentially millennial boom that the iron ore price will provide that opportunity. I have not got to the funny part yet. Even though it will never get there, the funny part is that if iron ore prices go back to over \$85 a tonne, as I discussed in my first speech and earlier today, what will happen? Because of the Commonwealth Grants Commission, the GST return will come down. That is very clever! Even if we got \$85 a tonne, by definition, the GST share would go back to under 65c. The Labor Party economic plan for paying off the debt during the election campaign was a nonsense. If the government does get the price, it loses the GST. It is astounding. Is that the level of economic debate that would be acceptable to this diverse and intelligent Legislative Council of Western Australia? I do not think so, and, neither, I hope, do those on the other side.

Hon Jim Chown: That's yet to be seen.

Hon Dr STEVE THOMAS: True, because we have to come back to the plan; otherwise, we are looking at dribs and drabs of payments over time. I apologise to the house because we are going to get into a little bit of Keynesian economics.

Distinguished Visitors — City of Gosnells

THE ACTING PRESIDENT (Hon Matthew Swinbourn): Honourable member, before you get into Keynesian economics, this might be an opportunity to interrupt you to acknowledge some people in the public gallery. I would like to acknowledge in the public gallery representatives of the City of Gosnells: the mayor, Ms Olwen Searle, and Councillors Mitchell, Goode, Dewhurst and Lynes, and their families.

Debate Resumed

Hon Dr STEVE THOMAS: We are not sure which school the students in the public gallery are from, but we also welcome them to our chamber today.

Do I need to go back to talking about Hon Simon O'Brien? No, I do not. I was talking about the fact that a policy to start making repayments when the price of iron ore reaches \$85 a tonne and when GST returns are 65c or more obviously will not work. How do we do this? I will come up with the occasional suggestion for the current Labor government about what it might do. It is a very difficult process to manage, with general government debt heading for \$42 billion plus, and that does not count the \$5 billion worth of election commitments that somehow also need to be worked into the process.

These are not small biscuits. What does government generally do? The modern economic thinking that was brought about in the early 1900s was that running up government debt is not much of an issue. A \$42 billion, \$43 billion or \$44 billion debt in total government terms in Western Australia might sound big, but if the government does not spend a significant amount of money over the next 25 years, that \$45 billion or more will actually look like a much smaller amount. As revenues grow, as we saw during the boom, the level of debt becomes less significant and it becomes far easier for governments of the future to pay it off. That has been used at a state and federal level and internationally as an economic reason that it is okay to have significant debt; that is, a generation in the future will be able to pay off that debt reasonably easily. Of course, we know that for the most part, government interest rates are quite reasonable. We all wish our businesses could operate on the same interest rates as government does. We are not looking at inflationary growth. However, there is a flaw that never gets discussed; that is, for that particular economic policy to work, successive governments must not spend excessive amounts of money. As a new government comes in, it has to say, "We have inherited \$33 billion of total government debt. We know it is going to go up a bit, but we basically need to have no additional expenditure and no additional borrowings so that in two generations' time, our grandchildren can pay off that

debt relatively comfortably.” That is a great idea, except that I do not know a government that spends sufficient money to make that happen. Somebody has to do the hard yards. Successive governments have to be austere. If nothing else, I think the recent election in Great Britain has demonstrated that austerity is not necessarily popular. It is certainly not popular in our own house if we have to limit pocket money to \$2 a week. Austerity is never popular; it does not gain a government votes. The economic policy—I consider it left-wing economic policy, obviously—that suggests that significant debt is reasonable because a future generation will pay it off has been illogically used over time. I think it is simply a burden that we leave for future generations of Western Australians. I am getting on a bit now, but perhaps Hon Aaron Stonehouse might be paying off my share of that debt when he reaches my age or perhaps is a little older. That might be his responsibility instead of ours, and that is assuming that nobody continues to spend money in the meantime.

Hon Aaron Stonehouse interjected.

Hon Dr STEVE THOMAS: Okay; that is excellent, because Keynes always worried me.

Hon Colin Tincknell: It’s a good time to make a change and act on that.

Hon Dr STEVE THOMAS: No; that is right. My time is running out, but the next generation is here to try to make a difference, and that is fantastic. I am sure that Hon Aaron Stonehouse will make a valuable contribution in his discussion on the Loan Bill, and I look forward to hearing what the generation that will inherit the debt from us has to say about that inheritance. It is an unfortunate reality that, in a general legal sense, a person is not required to accept an inheritance, so if their parents leave them a debt, they are not required to inherit it, unless they are legally tied as an entity. That does not apply to governments and Parliaments, so, unfortunately, that generation will have no choice but to inherit the debt left to it. The Labor plan was, at that point, a plan that would never occur. As I say, sadly, that is the level of dumbing down of the economic debate that we have reached in Western Australia at, to be honest, both the state and federal levels. I find that very sad.

I will digress briefly to talk about the federal budget. Because I stand in the fairly hard right wing politically, I know that the 2014 federal budget was largely pilloried from pillar to post. The government’s presentation of that budget to the people of Australia left a lot to be desired and probably was, to a large degree, responsible for the outcome and the backlash. But there were some things in that budget that have been fairly important over time. Although the budget was poorly presented, it asked the people of Australia to recognise and value the services provided by government and to make a contribution to those services, because they are valued best by making a contribution. I will take a little bit of time to describe why, because once a person has done Keynesian economics, there is nothing left really. The proposal that people would make a small contribution to their own health through an initial 10-visit \$7 fee when they visit the doctor was, in my view, fairly critical policy because it said to people that if they valued it, they could make a contribution. There is this old story in veterinary games—I am back to the veterinary profession, Mr Acting President, and I apologise for that—that if you give away a free horse, nobody wants it because there is obviously something wrong with it, but if you charge a moderate sum for it, you will be rushed off your feet because it obviously has a value. I think the federal proposal that people make a small contribution to health is critical.

In the intervening years between my stints in state Parliament, I did a bit of lecturing on politics, having had some experience in it. I was doing a guest spot at Edith Cowan University with a group of social work students. Social work students, on average, tend to be at least as equally left as I am right, but it was a great interaction. I had the discussion about them making a contribution rather than expecting a handout—so we are back to the argument about royalties for regions. I told the group of 20 or 30 students that I had spent some years with the chairman of the south west health forum in the south west of Western Australia and we oversaw state health development under the Court government in an area from Yarloop District Hospital down to Northcliffe and oversaw a \$100 million budget.

I have some experience in health service delivery, which was, effectively, my stepping stone to Parliament. I said to this group of social work students that one of the issues that we often see is that people will make a regular appointment with their doctor if it is free. If we watch a person who has come out of a doctor’s surgery, we will frequently hear the statement, “How was that, Mr Baston?”, and when Mr Baston says it was very, very good, the receptionist will say, “Would you like to have another appointment next week?” It is a bit like McIntosh’s law of social work. I think McIntosh’s law applies also to doctors. Are members aware of McIntosh’s law of social work?

Hon Peter Collier: No. Tell us about it.

Hon Dr STEVE THOMAS: McIntosh’s law of social work is that the amount of work available for social workers will expand in direct proportion to the number of social workers available. If five social workers are available in a community of 1 000 people, those social workers will all work full time. If 50 social workers are available in that same population, they will still all work full time, because the amount of work will expand to meet the number of proponents rather than the demand. The same law applies to some degree to doctors. I said this during this class. One of the students had been the manager of a medical practice, and, as we would expect,

he was outraged. He said that never happens. So, I thought this will be difficult to demonstrate, because unless we have experienced it, we probably do not know. Luckily for me, a young gentleman from Bridgetown, who was one of the only two males in the class, said, “My grandad does that all the time. He is one of those guys who goes to the doctor every week.”

As I have said, there is an automatic acceptance of the provision of free service. Therefore, it was proposed that people would be required to make a small financial contribution of \$7 for each visit, capped at 10 visits, or a maximum of \$70 a year. It was not about gaining \$70 a year from every person. It was about asking people to think about whether they really need to see the doctor next week or is it just a social visit that the taxpayer is paying for.

However, as a team of Liberals, we were dreadful at selling that proposal. We could not have the conversation. That is because we did not demonstrate the economic need for change before we announced the change. I certainly was not the decision-maker at the time, but, as a team of Liberals, although we understood the need, we did not enunciate it. Government is frequently not very good at telling people why it makes the changes that it makes. That was a very important change that will now probably never happen. When we read the reports about how the federal government’s health budget and Medicare costs are blowing out, we need to think about how important those economic decisions are and how we need to sell those decisions well. That was a better policy than just saying we will pay off the debt when the price of iron ore is over \$US85 a tonne. That is an example of how difficult it is to sell good policy.

I come now to the Labor government’s plan to reduce debt. We know that a \$US85 a tonne return for iron ore and a 65c in the dollar GST return is no plan at all. So, what is the plan? As I said in 2008 in my speech on the budget, which I repeated earlier this month, we have a couple of options. If we cannot control expenditure, we will go into debt and we will have to manage that debt. The Liberal Party had a policy going into the election about the sale of assets. I want to spend a bit of time talking about what are effectively the two options that are available to the government to manage the debt—which Hon Aaron Stonehouse is likely to inherit, plus 10 or 20 per cent. The first is to dramatically slash expenditure in order to make debt repayments. The other option is to sell assets. The sale of assets is not something that we should take lightly. Members should not assume that just because I sit on the far right of the Liberal Party, I would sell every asset. A proper business case should be associated with the sale of any asset. A sound reason should be given for why we need to sell that asset, and there should be a net economic return to the state of Western Australia from the sale of that asset. In addition, the services that were provided by that asset will still need to be provided, in a timely and fair fashion. Assets are sold by governments on both sides of the political spectrum. There is a long history to this. At a federal level, the sale of Qantas and the sale of the Commonwealth Bank were conducted by the Labor Party, under Paul Keating; that very clever, if sometimes abrasive, former federal Treasurer. The Liberal Party, under John Howard and Peter Costello, sold Telstra. Those major assets were sold to reduce debt. John Howard inherited significant debt. When I say “significant debt”, that is nothing compared with the debt that exists today at both the state and federal level. Members should be aware that according to almost every source, state net debt per head of population is now greater than federal net debt, and heading further out. That means that the poor next generation—I am sorry to do this to Hon Aaron Stonehouse—will inherit not only state debt but also commonwealth debt and local government debt. We are not giving the next generation a light backpack to carry. We are putting big rocks in the backpack that Hon Aaron Stonehouse’s generation will have to carry around. That is unless we can develop and improve our economic literacy.

Let us talk about the sale of assets. Both sides of politics do it. However, it needs to be done wisely and carefully. We can look at some of the assets that might be sold and whether that is necessarily a good thing to do. I want to talk in some detail about the proposal to sell Western Power. I have watched the power industry in great detail for decades, along with the coal industry around Collie, which I do not live very far away from. I will be brutally honest and tell members what Mike Nahan, the now Leader of the Opposition, and I agree and disagree on. We both agree that the sale of Western Power is an imperative. I am certain we both agree that the biggest issue we have is that we should have sold Western Power five years ago. In my view, Western Power is a declining asset, for the following reason. It is the part of the power sector that has the least capacity to grow in the future and the part of the power sector that is the most in decline. Power generation is also not in a great state. If anyone wants to buy power resources, they should buy a retailer. Part of the original Synergy, before Synergy was merged with Verve Energy, was retail. I am sorry if members do not know the history. Synergy was divided into three parts—Verve, which was generation; Western Power, which was distribution; and Synergy, which was the retail component. The two ends of the power industry were merged—that is, generation and retail were put back together in what is currently Synergy—and Western Power sits out on its own.

Where is the power industry going? Let us put aside the arguments that are taking place federally from the rump of the Liberal Party that is opposed to any kind of renewable or clean energy argument. Let us look at what happens specifically in Western Australia. The greatest growth of energy capacity is currently in the renewable sector. It is not in large-scale wind turbines and large-scale solar panels. The growth is basically in rooftop solar panels. The problem with the renewable energy target proposed by the federal government is that it does not

make sense. Why are we restricting the renewable energy target to major projects, such as a major wind farm or a major solar farm? Renewable energy will hit its peak and become the greatest asset when all members in this place put solar panels on their roof and are independent from the grid. That is the future of the renewable energy marketplace. That is once we solve the storage problem. I am an optimist—I may be a cynic, but I am an optimistic cynic. I think that the issues of the storage of renewable energy will be fixed in the next five years. I do not have rooftop solar on my house yet. Costs for rooftop solar have gone down; in some places it is 10 per cent of what it was a decade ago. The storage component will be fixed as well. When that happens, instead of a few thousand people every year putting solar panels on their roofs and generating the vast majority of their energy for themselves, it will be a few hundred thousand people. Every year they will be stripping out of the system, which will do one crucial thing; it will not leave many people in the system. It can be seen now. Supermarkets and shopping malls are putting panels on their roofs. Last year I read about a shopping centre somewhere in Hon Tjorn Sibma's region in the northern suburbs that put on solar panels. It cost about \$800 000 but saved it \$300 000 a year. In three years it had paid off that investment.

Hon Peter Collier: It's still paying its network charges.

Hon Dr STEVE THOMAS: It has to pay its network charges. The member is absolutely right.

Hon Peter Collier interjected.

Hon Dr STEVE THOMAS: That is right.

When the storage issue is fixed, and it will be, that shopping centre will not be paying network charges; it will just disconnect. I tell members that so will I. I am an economic rationalist, so as soon as the storage problem is fixed and the economics makes sense, I will be off the system. A little bit of the back of Donnybrook through the hills will no longer be paying the network charge. It will not just be me; it will be hundreds of thousands of Western Australians. Members may argue that the big users will still be on the system, but the really big users of electricity—those in the resources sector—mostly produce their own energy. We do not supply huge amounts of energy to the resources sector, because they do it themselves. The resources sector itself is looking at renewable energy. As that process happens, fewer and fewer people will be engaged in the system so the network charges will have to be increased or the value of the product and return to the owner will decrease.

We are in an immediately negative spiral. I am happy to get into a debate about what the asset that the former government proposed during the election to sell was worth. The Leader of the Opposition, who was the Treasurer at the time, is absolutely certain that 51 per cent of it was worse \$11 billion. I would happily throw that number around the chamber and see what people thought of it. If 51 per cent of it is worth \$11 billion today, it is guaranteed that in a few years the whole lot of it will be worth that. A few years after that it will be effectively valueless because it will not be worth staying on the system. If someone's neighbours leave the system and go off the grid, those who remain will have to pay the entire cost of maintenance of the distribution network and will not be able to afford to be on it anyway. They will have no choice; when most everyone else jumps off, economically, the rest will have to jump off as well. They will be stuck and will have no choice. This is not opinion. The value of the entity that is Western Power is probably a matter of opinion. I am happy to debate that back and forth. Mike Nahan and I have great arguments about what we think it is worth—all very collegiate and cordial, of course. The reality is that there is no disagreement amongst anybody in the literate economic world that the asset will soon be worth half of what it is worth now.

The only argument that can be had about Western Power is when it should have been sold. My answer is that it should have been sold five years ago. That is a personal opinion and I am happy to have a debate about how quickly it has declined and whether we would have got more money for it five years ago than we would now. The reality is that the distribution network has no choice but to shrink and contract. As it does so, its remaining users will have to pay more or, inevitably, get off the grid over time. I am talking about five or 10 years. If the \$11 billion valuation is accepted, it will be shattered in five or 10 years. There will be almost nothing left of it apart from the major distribution component.

I am even concerned about the value of the generation arm. I have been watching this industry for a long time. The power stations that the public sector owns are coming to the end of their use-by date. The Muja A and B units are gone; I have said publicly that I accept and agree with that. Muja C and D, which are the big coal units in Collie, are not as young as they used to be. They are older-generation units; those turbines are not in a great way. What is the state going to do when they close? What are they worth now and what is the state going to do? In my view, no matter which party is in government, the state will be looking at more private investment in power generation unless those units hold on long enough for technology to catch up to the point at which those power stations will be closed down and not replaced. We have an oversupply of about 1 000 megawatts of capacity right now. The government has set out its process for the reduction of the first few hundred megawatts, which is fine, but there is a lot more to come. The first Muja power station was built in the 1960s by, I believe, Premier Sir Charles Court, whom I might have mentioned I have some time for. Various governments since have added to that. The newest power station in Collie, the Collie A power station, was built under the Richard Court

government. The Court family have bookended the history of power generation in Collie—not that the name Court is particularly popular there. I suspect that it is a fairly thankless task. Those power stations are from a couple of decades old to going back to the 1960s. I think there is an issue with generation. Unfortunately, if I was told to buy generation, I would say that I hope my superannuation company does not buy it because I think it has problems.

The crux of my argument for the sale of Western Power is not that it should not be sold—it should already have happened—but that it is a sell, not a buy. There was going to be a share float in which it hopefully would have picked up significant value. We could argue about the value of it. It is an asset that, in my view, was absolutely essential to be passed on while somebody would buy it because in time it will become a burden rather than an asset.

Hon Robin Scott: What about the person who buys it? Will it be an asset for them or will it be a burden? Surely somebody in the private sector will not want to buy something that is going to end up being a burden.

The ACTING PRESIDENT: The honourable member —

Hon Dr STEVE THOMAS: I am happy to take the interjection, Mr Acting President.

The ACTING PRESIDENT: It is a long interjection, so perhaps the honourable member can ask it in the corridors.

Hon Dr STEVE THOMAS: It is a very good question. At the end of all processes, all those in business would say caveat emptor—buyer beware. It was the right move for the government to sell it. Would I have purchased it? Let us see.

The government is opposed to the sale of Western Power. The Labor Party ran a whole election campaign on it that, in the end, will be to its own detriment. If it could have got \$11 billion for 51 per cent of it, by the time this term of government comes to an end it will be sitting on a valueless product. The government will have effectively lost \$11 billion for the state.

Hon Jim Chown: How much state debt could've been defrayed by that?

Hon Dr STEVE THOMAS: It is a good question. The state debt—not the general government debt—would have been defrayed. The question is what impact this would have had on the debt structure. It would have made no difference to general government debt as defined by the Loan Bill 2017 that is before the house. It is obviously general government debt. The debts held by Western Power are held in the total public sector. I know that sounds silly, but when we get to budget time we will go through in a lot more detail how that sits together. It would have removed \$8 billion from the total public sector debt—immediately gone. Instead of the total public sector debt heading for \$43 billion or \$44 billion, it would have been \$34 billion-ish.

Hon Colin Tincknell: At what cost to the consumers?

Hon Dr STEVE THOMAS: This is the question. This is the difficult part. The energy sector is governed by regulation, so the cost to the consumer is governed by regulation. A question needs to be asked, and this is the tricky part about the debate and this is why I say we should sell Western Power. Most businesses would look at the return on asset. Here is the hard bit and I guess the point of disagreement with a number of people who advocate for the sale of Western Power on the assumption that it is worth a very high price. Most businesses 10 years ago looked at the hurdle rate, which is the expected return on asset. It used to be called MROR—minimum rate of return. It was about 15 per cent. I think it is now under 10 per cent because economic times have changed. If a business is going to spend \$11 billion for half an asset, it would expect a reasonable return on that.

Hon Jim Chown: It is a monopoly.

Hon Dr STEVE THOMAS: Yes. The difference with this is that it is a monopoly, and superannuation funds are often interested in long-term investment with government backing, effectively, so they could accept a significantly lower hurdle rate in their purchases. We do not have time for this debate, but I am happy to sit down over a couple of hours to debate the genuine purchase price, the value of Western Power and the kind of return on asset that would be required to reach that price. Does Hon Colin Tincknell see what I am saying? I guess the member is really asking: if a company purchased Western Power, would its rate of return require significant price increases? Under the proposal put forward, it would be a share float. If we sold the entirety of Western Power to a company, and we told them to take it, it is theirs and we abrogate responsibility for it, that company may then set a rate of return that would impact on power prices.

Hon Jim Chown: Prices are still regulated under the proposal.

Hon Dr STEVE THOMAS: Yes. Prices are still regulated under the proposal for a share float. No individual at that point has the power to make those decisions; and, if they did, the regulator, the Independent Market Operator, is still in place to ensure price control over that distribution. Our problem then is the longevity of that process, because as people start to drift off that power system, that value continues to go down. Let us assume that Western Power did not sell for the amount of money that we thought it would and the returns were not necessarily there. Say, for example, on a purely hypothetical basis, that it sold for \$8 billion instead of \$11 billion for 51 per cent.

Hon Jim Chown: That's \$8 billion more than it would be worth in 15 years.

Hon Dr STEVE THOMAS: Precisely—that is where we are going. It is still \$8 billion more than we would get for it in a decade. If the government sits on Western Power, it is going to be out of pocket. The argument is whether that will that impact on users. If we do nothing, it will absolutely impact on users because if we keep Western Power for the long term in purely government hands and the system changes so that we can no longer afford to charge the people who remain on the grid the amount of money that it costs to run it, electricity prices will go up anyway, or we will simply drive those people off the grid. Either way, unfortunately, there is no solution for consumers, apart from those who get off the grid, and that is where we are going. Ultimately, the current policy drives people off the grid because of the cost of it.

Hon Colin Tincknell: That is fine for the average income earner, but not the low income earner.

Hon Dr STEVE THOMAS: But it will not make any difference, honourable member —

The ACTING PRESIDENT: Honourable member, debate goes through the Chair.

Hon Dr STEVE THOMAS: You are quite right; sorry. The honourable member is absolutely right. For many people those power costs are quite prohibitive. The price of power is not cheap. For the average family it is a significant impost. I forget the average, but \$3 000 a year in power prices is not an insignificant component, particularly for a single person on a pension. That would be more than 10 per cent of their disposal income.

Hon Jim Chown interjected.

Hon Dr STEVE THOMAS: Yes, that is right.

The ACTING PRESIDENT: I think Hon Jim Chown will have his opportunity to contribute to the debate at another time.

Hon Dr STEVE THOMAS: Although it is great to stimulate some debate across the chamber and have some intelligent economic discussion.

The ACTING PRESIDENT: Yes. That is for the corridors, I believe.

Hon Dr Sally Talbot: That is one way of describing it!

Hon Dr STEVE THOMAS: What—an intelligent economic debate? That is what we are aiming for, honourable member, and I look forward to Hon Dr Sally Talbot's contribution in time.

As we hold onto Western Power, the majority of people who remain on the grid will be low income earners because undoubtedly the first group of people who jump off the grid will be those on a significant income who invest in the solar panels and battery storage. Some of them are already doing so. The low income earners will be left carrying the burden under the current proposal. Regardless of whether Western Power is sold, those low income earners will carry that additional burden. They are the ones most at risk. They are at risk irrespective of the policy. The policy to sell or keep Western Power in both cases has a similar impact on low income earners. When we look at where power is going, we see that the argument that says we have to keep Western Power to protect low income earners is nonsense. It does not work. The sale of Western Power, the value of it and the price is a critical component, and I am happy to debate in the corridors whether the government would have got \$11 billion for 51 per cent of it. A lot of personal opinion and judgement is involved in that, but the reality is whether the government can massively reduce expenditure.

Just to come back to the matter of a massive reduction in expenditure, I know members will talk about where we expend. As I have said, I have the actual numbers here, because I think they are useful to discuss and I will throw them out there. I refer to the boom period and the two governments, first Labor and then the Liberal–National government. In the Labor government, of the money available, 11.9 per cent of general government expenditure, according to its own budget papers and appropriation bills, was spent on infrastructure. Under the Liberal–National government, although the quantum was doubled, 11.8 per cent of general government expenditure was spent on capital infrastructure. The difference is a rounding error, in effect. In the interim, the wages bill in Western Australia has gone up significantly. At the beginning of the boom, the wages boom varied between 42 per cent and 44 per cent of general government expenditure, but by the end of the boom it was up to 49 per cent. That seven per cent expenditure increase may not sound like much, but on a budget of close to \$30 billion, we are talking about a couple of billion dollars a year. It is much harder, as we said earlier, to play with the expenditure on salaries and wages than it is with infrastructure. Infrastructure can drift off. If there is no money left to build something new, we can manage that. Take the money in the boom and expend it. I am happy to give credit to both governments. Both governments did a very good job with that process.

If we do not sell Western Power to fix the budget, we will have to massively slash expenditure or massively increase revenue. Whatever we do, we have this same issue that when we increase own-source revenue, it has an impact on the GST share. We can do bits and pieces with that. Obviously, the government will increase the price of everything—power, water; all those things. That is one answer. The other answer is that if the government

does not sell Western Power and it wants to make a significant impact on the total level of debt the government owes, what will it sell? Ports are interesting and come up occasionally. It is probably easiest to sell a port if it has a small number of users putting through a large amount of product. Two or three users of a port might be convinced to invest in it themselves, and that is probably fair enough. A port with a more diverse set of users is probably more problematic. The question is: what will the government sell to repay this debt or is it expecting to make billions of dollars' worth of cuts in expenditures? We cannot wait for a GST and iron ore price balance. The government will then have nothing left to play with. It then has to fit in \$5 billion worth of election commitments on top of that. I note that there was \$100 million for the seat of Bunbury and \$100 million for the seat of Albany.

Hon Jim Chown: Uncosted by Treasury, nonetheless.

Hon Dr STEVE THOMAS: Yes. Let us see how that goes and see what it generally costs. But to live up to that proposal is, at this point, additional debt. We have diverged quite a bit on this path to economic literacy that we have embarked upon in the Legislative Council. We have come to a key question. I hope that every member keeps it in mind when they stand up to speak on the Loan Bill 2017. When they say that we should not owe them money, I want to hear solutions from an economically literate chamber about how it will happen. If it is to cut expenditure, do not be frightened to say so. If it is to sell assets, do not be frightened to say so. Somewhere, we have to have a debate about how we will pay off \$34 billion worth of general government debt, and closer to \$43 billion worth of total government debt. That is the place in which we really need to finish this debate. We probably should have said this at the start, but I do not think anybody in this chamber is interested in blocking supply. I know that is a shock! But at this point, nobody is necessarily saying that we will vote on the opposite side so that the government cannot have the money. There may well be suggestions about how to do it differently, but I am interested in this chamber debating how it gets better. If we can achieve that, we have done the job that Hon Simon O'Brien set for us in his initial statements. I began with him, so I will finish with him: this is a chamber that can stand up to government when needed and give a rational response.

HON COLIN TINCKNELL (South West) [3.03 pm]: As Hon Dr Steve Thomas indicated in finishing off his contribution, blocking supply is not really an option, but should we accept the inevitable trends that have happened since 2009? There are some other options I would like to talk about a little later. But to make the house aware, the Loan Bill 2017 closely follows the wording of the loan acts of 2009 onwards. Here are the borrowings authorised by previous loan acts. For the Loan Act 1997, it was \$20 million; Loan Act 1999, \$260 million; Loan Act 2003, \$250 million; Loan Act 2009, \$8 316 million; Loan Act 2012, \$5 billion; Loan Act 2015, \$8 billion; Loan Act 2016, \$1.7 billion. Now we are here to debate the Loan Bill 2017 for \$11 billion. This is a bad trend. If members look at graphs, they will see it is a horrifying trend. Although we are not talking about blocking supply, we want to debate how we can change that trend. We do not have all the ideas, but we would like to float a few ideas in front of the house and continue that debate. We are in that unenviable position in which we as members in the Legislative Council have no alternative but to pass this Loan Bill. To not do so would be putting the WA people in a crazy position and we would probably have to have another election. That is not a good option.

According to Jacob Kagi of the ABC on 10 February 2017, Western Australia's non-financial public sector debt is expected to reach \$36.6 billion by 30 June 2017, which is just a few days away. Should the Legislative Council pass this Loan Bill for 2017? As a crossbencher, I could automatically use this for a bit of negotiating power between us and the government, but that is not the way we operate. We have said that, as a crossbench, we are here to progress this state. We want Western Australia to be in a better position in four years, not a worse position. Any future borrowings should be cautious and for immediate requirements only. We are now looking at approving \$11 billion. We do not really know how that money will be spent. We are saying that we should be very cautious about this and it should be for immediate requirements only.

The previous Liberal–National government quite honestly needs to be ashamed of this state debt. It was mismanagement at the highest level and it put the Western Australian people and the current government in a very dangerous position. It has caused a loss of reputation to WA and it has created a distressing and damaging trend delivering many, many years of raising debt government. People such as Hon Aaron Stonehouse will have to pay these debts.

We should not just be accepting the inevitable. We need to get outside our comfort zone and look for alternatives. This is very discouraging because previous Labor governments have had an average—let us say bad—record of running up debt, with high, unnecessary spending that is heavily influenced by the unions and vocal left-wing minorities. This trend cannot continue, as it is reckless and unsustainable. We need to put a lid on spending. No more extravagant shopping lists by unions and vocal left-wing minorities. No more fearmongering to multibillion-dollar private investment. We need to increase sustainable private investment now. I would dearly love to see this current government make smart decisions that will help get this state back on its feet again, but does it have the discipline to do that? That is the big question mark. I hope the government does. I hope in four years the Premier is considered one of the best Premiers we have ever had in this state. I hope that is the case.

That is the big test. Why do we have to continue to accept rising debt? Why not plan for revenue surplus in the future? Why do we not have a future fund? Maybe if we did, we would not be in the position we are in now. I would like to offer another plan, and I would be happy to debate this at any stage. Please bear with me; this could take a bit of time.

The purpose of the Legislative Council is to review. The Legislative Council has the power to refer the Loan Bill 2017 to a standing committee or a select committee. That is option one. The budget could be brought down prior to the passage of the Loan Bill. The budget represents the business plan that lenders—for example, the purchasers of Western Australian government bonds—will use to judge what interest rate will attract their investment money. Major borrowings prior to the budget could require an unnecessarily high interest rate.

One probable effect of the passage of the Loan Bill 2017 will be the removal of the urgency in demanding redress from the commonwealth for the plundering of Western Australia through the unfair malapportionment of the goods and services tax. The cumulative loss to Western Australia from the commencement of GST on 1 July 2000 to the end of the 2017–18 financial year is calculated at \$28.384 billion. Since the commencement of GST, the total of untied payments to Western Australia has been \$13.527 billion. If the whole of this sum is offset against the amount plundered from Western Australia through GST, Western Australia, by 30 June 2018, will still suffer a cumulative deficit of \$14.856 billion. The cumulative deficit to 30 June 2017 will be \$10.432 billion, which is close to the \$11 billion figure of projected borrowings foreshadowed by the Loan Bill 2017. These calculations are based on information supplied by the Commonwealth Grants Commission.

The federal government presently guarantees loans for Queensland of \$1.998 billion in March 2017, down from \$2.792 billion in May 2016; and for New South Wales, it guaranteed loans of \$1.522 billion in March 2017, down from \$2.819 billion in May 2016. Western Australia is entitled to expect that a commonwealth guarantee could reduce the interest rate payable by Western Australia. The best option is that the commonwealth borrows the money to make an untied grant to Western Australia of \$14.856 billion to compensate Western Australia for 18 years of plundering to 30 June 2018. Another option is that the commonwealth borrows \$11 billion and on-lends that sum to Western Australia at zero per cent interest. A purposeful representation to the commonwealth could certainly be made prior to the passage of the Loan Bill 2017.

In 2015–16, the revenue from the 25c per tonne levy upon 78 per cent of the state's iron ore exports earned \$149.75 million for the WA Treasury. The net present value of \$149.75 million for 30 years at a discount rate of four per cent is \$2.589 million. At a discount rate of three per cent, the NPV of the cash flow is \$2.935 million. There are international financiers willing to purchase 30 years of cash flow at a discount rate to be negotiated. Keep in mind that the Western Australian government can also assign part of this royalty stream in return for cash now. For example, the NPV at a four per cent discount for 30 years of the 7.5 per cent royalty on expected production of 55 million tonnes per year from the Roy Hill mine alone is \$5.349 billion at \$75. In other words, the government can sell its revenue stream for the probable life of just one mine for more than \$5 billion. This form of financing should certainly be investigated before passage of the Loan Bill 2017.

That is all I have to say on that. We have no real alternative but to pass the bill, but we should be investigating other ways of financing the future, so that Hon Aaron Stonehouse is not responsible for the debt in the coming years.

HON SIMON O'BRIEN (South Metropolitan) [3.16 pm]: I was a little slow to get to my feet, in case any members opposite wished to make a contribution, but they are obviously still collecting their thoughts. We have had some thoughtful contributions from the last two speakers, and I thank them for it. Members should not blame them if they think that they have inspired me to make some comments, because I was going to do so anyway. Even though this is a money bill, I am also keen that we focus some thoughts particularly on the nature of the bill, because it presents a problem for us, and people are perhaps prematurely asserting that we should never block supply in this place. I will come to that in a moment.

We are looking at the Loan Bill 2017, and that, in the first instance, takes us to not only the text of a very short bill, with only five clauses, but also the second reading speech to work out what it is about. What it is about is very straightforward, and I do not propose to lecture the house about what this sort of bill does or does not do. I think that has already been touched upon in a number of ways before. In reviewing the second reading speech, which is the government's speech in support of its bill, my attention was drawn to this passage —

In opposition, we were highly critical of the huge increase in borrowings incurred by the previous government. We continue to be concerned with the direction and magnitude of the state's public sector borrowings.

That is what the government asserts as part of presenting us with a Loan Bill for \$11 billion to be applied to expenditure as yet unspecified in its placement and its time frame. I am also concerned with the direction and magnitude of the state's public sector borrowings, and in view of that remark delivered by the minister in charge of the bill in the second reading speech that the new government continues to be concerned with the direction and magnitude of the state's public sector borrowings, first the thing I would say in response to that is: well, what are you going to do about it? The honourable minister representing the Treasurer in this place and

managing the bill is, as we have all noticed, very solicitously listening to the debate and making notes as he endures this particular form of purgatory, which is what happens when members get to the government benches.

Hon Dr Steve Thomas: That's what the big money is for.

Hon SIMON O'BRIEN: It is not very big money and, believe me, it is not enough money.

Hon Jim Chown: Now frozen.

Hon SIMON O'BRIEN: And it is now frozen. However, it is not enough money for the amount of grief, aggravation, work and stress that a ministerial job entails, particularly for someone as conscientious as Hon Stephen Dawson. Although I have empathy, indeed sympathy, and understanding, he should not think for a moment that I am going to relieve his burden in any way. I am sorry to ask the minister something that relates to the bill, but the first thing I would like to know is, in view of the comment in the second reading speech about the minister's concern with the direction and magnitude of the state's public sector borrowings, what he is going to do about it, because I do not know that the government plans to do anything about it except ask us in here to authorise another \$11 billion of the same. That is quite some gilding the lily! Despite any record anyone might like to point to over the last eight and a half years, that is a very significant amount, and I do not think we have enough supporting argument for it. I turn to my good friend Hon Stephen Dawson because I knew him before he was a minister, of course. I know how conscientious he is and how keen he will be to get to his feet and respond before too many more sitting weeks have elapsed. One of the questions I am hoping he will respond to is: what is he going to do about it?

I have looked at a slide that was provided as part of a briefing on the bill. Let us face it, when we have a bill with only five clauses and only two or three—what is the word for clauses that give effect—material clauses, not much can be put into a briefing. However, members may have seen a slide during their briefing—if they did not, I can make it available to members—that shows a projection of total public sector net debt. I am looking at the rise that has inevitably incurred over the years. I appreciate, Mr Acting President, that Hansard cannot write down a graph, and I am not going to ask for it to be incorporated, but members who have seen this and other tables will, of course, be concerned to note the rise in consolidated account borrowings as discrete from other borrowings, and they will note that the future forecast from this year and the subsequent three years is going ever and ever up. If we are so concerned about it, what are we going to do about it? If the minister wishes, he can start by telling us that it is all very terrible that the government has accepted the responsibilities that it accrued post-11 March. Government members can get up and talk, if they are so inclined, about the best set of books ever and the worst set of this and that, and other hyperbola, which is a dog that has caught the car, but we want to know what they are going to do with it. They can then tell us, as Hon Steve Thomas was putting to us, that is it not interesting that the government now has to deal with the consequences of vertical fiscal imbalance of an entire commonwealth that seems united against us and our interests and does not give a rat's about our prospects here in Western Australia. I am going to talk about some of the minister's ministerial responsibilities as part of this address and hopefully offer him some pointers. However, when there are income streams that are subject to the vagaries of commodity prices, which in turn are then compounded by GST funding formulas that are three years after the material events concerned, and all the rest of it, yes, it is a tough deal. The question then, of course, is: what is he going to do about it? I think I have applied sufficient repetition and emphasis on that point.

Hon Stephen Dawson: I've written that one down twice. I'll have an answer for you.

Hon SIMON O'BRIEN: I am sure it would not be tedious repetition, but if the minister were to tell us twice that would be good, because I do not think that he will be able to tell us once.

Hon Stephen Dawson: I shall certainly try, member.

Hon SIMON O'BRIEN: I am sure the minister will. He will be very conscientious about that, I have no doubt.

I then come to the substantive—that is the word I was looking for—clauses of the bill and note that they are basically about permission to raise \$11 billion in loans, and that is it. For what, we do not know. Why is it necessary and how is it going to be applied? We have been told that a surplus was provided in the term of a previous government through a previous loan bill to make sure that there was money through to 30 June. The second reading speech then goes on to state —

It included a \$1.2 million buffer for any further deterioration in central revenue that may emerge ... As expected, the \$1.2 billion buffer is all that will remain available by the end of this financial year. It is expected that this residual borrowing will be utilised during July, exhausting the remaining loan authorisation.

An amount of \$1.2 billion further! Are we seriously going through money at that rate so that \$1.2 billion in loan funds will be exhausted during the next month? That strikes me as quite extraordinary. Perhaps there are some payments that become due from 1 July that I am not immediately aware of that might explain a lot of that. Perhaps the minister can let us know in his response. In any case, \$11 billion is a staggering amount of money.

Why is that quantum being applied now? I will ask him straight: is it because the government is trying to avoid having to come back with subsequent loan bills and cannot bear going through all this each time, with the attendant adverse political publicity of, “Here they are, back again, seeking more money”?

Hon Stephen Dawson: You know I enjoy listening to you.

Hon SIMON O'BRIEN: I will not be here forever.

Hon Stephen Dawson: I bet you will.

Hon SIMON O'BRIEN: Sometimes it will seem like it, because there is only one thing that an opposition can really do when it is in opposition. If the minister does not know what that is, I will tell him about it when we have a break outside the chamber. It rhymes with “threepenny bits”!

Anyway, \$11 billion is a very significant sum of money. I put it to the minister, with the greatest respect, that it is far more than is required and than the government can demonstrate is required and, therefore, it is far more than should be applied for through this bill; it is more than this Parliament should agree to. That raises a problem for us. Having asserted that it is too much, or that we cannot justify from the information we have available to us that it is required at this time, why should the Parliament agree to it? Then we have these questions of blocking supply, because this is a money bill. Supply, of course, comes from appropriation bills in due course. This is not an appropriation bill, but it is enabling legislation that allows the government to borrow money to put into the consolidated account so that in due course, when appropriation has to be made, there actually will be some money in there to draw down upon. We are talking about a money bill; there is no doubt about it. Of course, this is a bill that, sadly, this house may not amend, but we ought to. It is funny how we can talk about billions of dollars just off the cuff, but if this were a loan bill for \$4 billion, \$5 billion or even \$6 billion, I would still want it to be accompanied by some of the information that I have just requested, but, recognising the reality of the state's financial situation, I would feel far more comfortable about agreeing to it than agreeing to an \$11 billion loan bill.

Hon Pierre Yang: You created it; you should know it.

Hon SIMON O'BRIEN: The jingoism of government is almost endearing, but that sort of jingoism is precisely what it is. I urge my friend opposite to look a little more analytically at what has brought us to the situation that we are in. If he wants to get up after me, we will all look forward to hearing him explain how the state's finances work and he can tell us how a whole range of matters worth hundreds of millions of dollars a time can be inflicted on any government —

Hon Pierre Yang: The \$27 million Hale House.

Hon SIMON O'BRIEN: As members appreciate, I am trying to conclude my remarks so that I can sit down, but these interjections might be distracting me!

When hundreds of millions of dollars of variations come out of the blue simply because a commodity's market value changes and that affects royalty receipts, and when Labor-backed central commissions take billions of dollars in funds from this state and give them to some other states in the commonwealth, apparently almost arbitrarily and without any sort of hindrance, they are the sorts of things that are very hard for any government to manage, including the current Labor government, which is now squealing its head off in dismay because, quite apart from any Barnetts, Nahans or anybody else, suddenly a few hundred million dollars more has disappeared with a change in commodity prices: “Oh, dear, what are we going to do about it?” I am not the only one asking the government what it is going to do about it; the government is asking what it is going to do about it. Now Hon Pierre Yang is asking why we are in this situation and is saying that perhaps it is something to do with Hale House. Does Hon Pierre Yang know what was housed in Hale House before its current incarnation as the Premier's office, and that does not just mean an office with a desk in it; that means an office with all the attendant staff, together with the cabinet offices and rooms?

Hon Pierre Yang: Do carry on.

Hon SIMON O'BRIEN: No. I am keen for the member to show me. Does he know what was in there? It was part of the Department of Education. The Leader of the House can tell the member about that and the minister to her right can tell him what part of the Department of Education it was. Was it not the part of the Department of Education responsible for looking after students with disability? I think it was. It was crammed into this clapped-out old building with these rickety old staircases. This was the part of the department responsible for looking after students with disability and there were staircases everywhere.

Hon Stephen Dawson: I think it was for the hearing impaired.

Hon SIMON O'BRIEN: It was responsible for those with a hearing disability, too, was it? Boy, was it past its use-by date. It was the old headmaster's house and part of the original Hale School before the Constitutional Centre occupied the buildings at the far end.

Hon Colin Tincknell: It sounds like the office the DPC has given me!

Hon Alison Xamon: It does. I can confirm that to be the case.

Hon SIMON O'BRIEN: These are other priorities that members may wish to discuss.

Those were heritage buildings in government ownership and, in the first instance, they had to be maintained and then they had to be restored and we had to find a use for them. That is why a decision was made for them to be restored and for a new progressive permanent use to be found for them, which got us away from renting property in the middle of the CBD—for example, in Governor Stirling Tower—and paying all the outgoings that go with that. In short, that was the reason that work was done on that property. Whether or not the member thinks it is a good idea, let us let people vote with their feet. Before the election, Mark McGowan used to swear he would never set foot in the place if he ever became Premier. He is in there now. He has got the people from the radio station there and he has got his sunnies on. He is having a whale of a time, is he not? But Hon Pierre Yang wants to evict him. Where would he go?

Hon Alison Xamon: He can go into my office!

Hon SIMON O'BRIEN: Does the member serve full-strength beer in her office?

Why do I know this? I know it because I used to be the owner of those buildings. When I was Minister for Finance, I was the titular owner of 2 800 or so non-residential government buildings around the state and also had responsibility for the agency called Building Management and Works, which carried out those alterations and completed them on time and on budget. I never got any credit for that, but I bet that if they had run over time and over budget, I would have heard all about it. If there is anything else that the member wants to know about Hale House, just sing out and I will let him know.

I also said that I wanted to use this opportunity to raise a few issues, in particular with the minister who will be shortly at the table. When I say “shortly”, it might be in geological terms. Before we get to what promises to be a protracted and exhausting committee stage, I want to raise in the second reading debate some other matters and they also touch on the financial viability of the state but in a very serious way.

I heard the minister on radio this morning in his capacity as Minister for Disability Services, and I thought I would offer him some advice. This government obviously has not worked out what it wants to do with the National Disability Insurance Scheme, and it does not want to get it wrong. I want to offer a few views that might help. I have taken a bit of interest in the disability sector over the years. What I would say to all members in this house is that amid all the talk about national schemes, intergenerational timelines and increasing the Medicare levy, we should not forget that we are talking about people. We are talking about individuals and their families. That seems to have been forgotten amid all the ideological breast-beating and government posturing about cost shifting, or intended cost shifting, and all the rest of it. I want all members to know, through you, Mr Acting President, that the evolution of the Western Australian model for disability services has been characterised by something that other states would aspire to. Typically, that has been a move away from a block funding model, whereby service providers are funded to look after a class of clients, to an individual funding model. Under the individual funding model, clients of the Disability Services Commission are empowered to source the services that best meet their individual needs. Individual funding also places pressure on service providers to lift their standards in order to gain further market share and secure their futures. Therefore, that is the model that we have gone with so far.

Hon Donna Faragher: We have led the way.

Hon SIMON O'BRIEN: We have more than led the way. We have left all the other states in our dust. Do not take my word for it. I am not the only former Minister for Disability Services in this chamber; there is also Hon Donna Faragher, who sits in front of me. Other members in this chamber also have a key interest in the provision of disability services, and I think they will support these comments. I have been to ministerial councils and have seen the demeanour and the approach of other states. The one thing they have always said, at least in my time, and I do not think it has changed, is “Gee, I wish we could do what you are doing.” For many years, all the other states have looked to Western Australia as the way to go in the provision of disability services. I do not think anyone would disagree with that. The approach of the other states varies a bit as well. Some states aspire to the individual funding model. Others simply do not try. Some of the larger states have just given up, because it is too big a job and it is too hard. As the minister is researching and considering the position of this state, he is probably receiving advice that the genesis for the NDIS was the recognition by the commonwealth that in some of the large states, which cover a large part of the country, people with disability were not getting a fair go. People were saying, “Look at the situation in Western Australia. That is what we need to bottle. That is what everyone should be able to access.”

Hon Stephen Dawson: I agree, member.

Hon SIMON O'BRIEN: I thank the minister for that interjection, because that is a positive sign. I have noticed that the minister has been nodding in agreement as I have asked whether he is getting this sort of advice. I thought the minister might be, and the minister is confirming that he is as he has been following this issue himself.

Some states are incapable or unwilling to do what we are doing in this state. They would like to be able to do it, but someone else will have to pay for it. Ultimately, I guess, Western Australia will end up paying for them as well.

Hon Nick Goiran: Yes—Hon Aaron Stonehouse!

Hon SIMON O'BRIEN: Yes. Hon Aaron Stonehouse is our long-term debtor of choice today, it would appear. Before our government assumed office in 2008, I could see all this coming up. This was in the early days of the NDIS. There were some things about the NDIS that I was worried about, the Disability Services Commission was worried about, and the Western Australian government was worried about. Those were the same things that we are worried about whenever a uniform system is promoted at a Council of Australian Governments or ministerial council level. That is: Will this be good for Western Australia? Will this provide a benefit to Western Australia? If we adopt this national scheme, will we by definition lose control of our own destiny? Will we be dragged down to the lowest common denominator? My main concern was the threat that all our progress would be done away with and we would be dragged down to the lowest common denominator. It would be great if people with disability in New South Wales were brought up to the standard of individual funding that is provided in this state. It would be great if their service providers, both government and non-government, could provide individually tailored services of the like that people with disability in this state have come to accept as standard. However, I do not want to enter into some sort of centralised—that is a word I use advisedly—scheme that will mean that everything is evened out and the Western Australian cohort will lose out. Will the funding that is provided through an increase in the Medicare levy or some other tax base be sucked out from Western Australia and given to people outside of Western Australia? Where will be the benefit in that at a time when forever Western Australians have been very generously subsidising the welfare of people with disability and their families? We have all been contributing, at a massive rate per capita, and we are proud of it, I hope. Why should that money now be evened out and given to people in other states whose governments have not been able to look after them so generously? I am sure the minister has heard these concerns, but possibly not in quite the vernacular in which I am offering them. I am trying to distil this argument to its absolute key points, and I hope that is offering the minister something useful.

Hon Stephen Dawson: Thank you.

Hon SIMON O'BRIEN: I will tell the minister this: if the minister ultimately decides that Western Australia will not be part of the national NDIS, for a whole range of reasons, I would be inclined to back the minister on that. I am serious. That is how dinkum I am.

Hon Peter Collier: Bipartisan support.

Hon SIMON O'BRIEN: We have always taken a bipartisan position on matters related to disability, in fairness, and I would like to see that continue. I hope that is of some use, minister. Who knows? Exchanges such as that can sometimes lead to further exchanges away from the floor of the house that may be of benefit. However, I tell members now that I do not think that the case has been made for us to sign over to a national system that promises to take away what people with disability in this state have acquired; it will cost us more and it gives us nothing of benefit in return. No doubt we will come back to that in due course. As I conclude on that point, minister, for the benefit of other members in the chamber let me try to reduce it back down to what I said it was about: it is not about national funding systems or intergenerational time lines or bloody—sorry!—jolly ministerial councils; it is about individuals and their families. Members should understand that in Western Australia—Dr Ruth Shean drilled this into me years ago—one in six people, as a rule of thumb, have a disability. Count the number of people in this room and of those about one in six of them need some assistance in their everyday life. Then, of course, there is a smaller group, perhaps one-sixth of that sixth, who need a much higher level of care. Of that care, 73 per cent is provided for nothing by family, friends and volunteers. They get support in some cases such as a carer's allowance and other supports, but the quality of our community is such that the vast bulk of that burden or care responsibility is taken on willingly by others in our community. However, government has a very vital role to play when it comes to people with high-care needs. Members all know the levels of disability that I am talking about that are not discriminatory in manner and do not necessarily affect the rich or the poor, the young or the old any more than anyone else. It can happen to anybody; it can happen to any family. When it comes to sourcing the supports necessary to enable that individual and their family to carry on, government needs to facilitate that access. If members have a constituent or a family member with very high care needs trying to find the communication channel they need to connect with services, do members want them to have contact with the local area coordinator in their neighbourhood who that family knows, who has been around to see them, who knows what their house and yard looks like, how big the family is and what their circumstances are, and who gave them their business card with a mobile phone number on it and said, "Ring me any time"? Do members want them to be able to ring that person or do they want them to get on to some Centrelink number, wait for two or three hours and then get nobody? That is my next point, Leader of the Opposition.

We know how wonderful—I am speaking ironically here, for the record—the commonwealth can be about accommodating individual needs when it comes to these national schemes in social security, the dole or whatever it might be. The commonwealth is very impersonal indeed. For some reason the commonwealth has

decided that this service has to be centred in Geelong of all places—Geelong! I do not know what government department is going to be located where Holden had its factory but that is not a plan that meets our needs, and that matters to us. The people in Canberra, Sydney and Melbourne do not get it. They ought to get it, but we of all people need to get it. We need to understand this. If a person lives in Wollongong, Broken Hill, Newcastle or Parramatta, it probably does not matter whether the headquarters of the government service provider that they have to call up to access services is based in north Sydney or south Sydney; that is, it does not matter if a person has to ring up Sydney or a regional centre in Wollongong to get their service provider's attention. But if a person lives in Kwinana, Geraldton, Kalgoorlie or Albany —

Hon Colin Tincknell: Donnybrook.

Hon SIMON O'BRIEN: Did I hear Donnybrook? Any advance on Donnybrook? It makes a very big difference if a person lives in any of those locations. There will not necessarily be a Disability Services Commission office in every single hamlet, but I tell members this: we have gone pretty close to it with our local area coordinators. If the local coordinator needs to help a person get in touch with head office, it makes a very big difference if that head office is based in Perth as opposed to Sydney, or, dare I say it, Geelong—a very big difference indeed. If members do not believe me, they should try getting on the phone to Centrelink when they need to deal with the commonwealth government about one of its other national schemes. I think I have made the point. I just wanted to re-emphasise to the minister those thoughts on the matter that are held quite strongly on this side of the house. They may give him some encouragement when dealing with the centralists that infest governments from time to time and he needs to resist them.

I will return to the Loan Bill 2017. I have asked if we could have some explanation about the \$11 billion. I do not have the choice of moving an amendment to make it \$5 billion or \$6 billion —

Hon Aaron Stonehouse: Or \$1 billion.

Hon SIMON O'BRIEN: That would get the government through to only the end of July or August, so we need some explanation about that \$1.2 billion. It will be exhausted by the end of next month.

Hon Colin Tincknell: Hon Aaron Stonehouse would not have to pay it back for the next 24 years.

Hon SIMON O'BRIEN: I am going to be asking some questions in the committee stage about the method of paying it back and I will refer to the words of the Premier who said that their plan to reduce debt was going to be to pay it off slowly and steadily like a home mortgage. I have no doubt that perhaps in his second reading reply the minister will be able to tell us about the government's program for paying off that mortgage. What is the term of the loan? I am thinking of Hon Aaron Stonehouse's future here, of course. Is it a 25-year term or a 30-year term? More realistically, is it a five-year term? I do not know. What are the rates at which we are going to pay it off, and if we are to pay it off slowly and steadily, like we do a mortgage, why are we taking out a second mortgage for \$11 billion to go on top of what we have already got? They are the sorts of questions that I am sure the minister will explain the answers to in his second reading reply. I am just hugging myself in delicious anticipation of receiving that information because nobody else has been given that information yet, including, dare I say, the cabinet that approved this Loan Bill. I do not think anyone in government knows the answer to those questions, so why are we being asked to acquiesce? Maybe there is a case, if we cannot amend the bill, to oppose it. I look forward to the quality of the minister's response.

HON JIM CHOWN (Agricultural) [4.00 pm]: I am more than happy to participate in this afternoon's far-ranging debate on this significant bill, the Loan Bill 2017. I cannot help but note that at least a third of members in this house are new and most of them are crossbenchers. For their information, I will go into a bit of process here. Quite frankly, I find it very hard to stomach today's bill borrowing \$11 billion without a budget being handed down or an estimates hearing taking place. I believe this is unprecedented. I also believe that for any government to ask us as Legislative Councillors to support this bill holds the process of this Parliament in absolute contempt. Yes, we cannot amend it. As Hon Colin Tincknell pointed out, other processes are available. Whether we go down that track is up to members to decide individually. A lot of it will be dependent on Hon Stephen Dawson's response to a number of questions when we reach the Committee of the Whole stage.

This Loan Bill is an \$11 billion drawdown account. The Treasurer of the day, as I understand it, wants this bill in place by the end of our sittings and the end of the financial year; otherwise, the state will run out of money. There are a number of questions here. Why did we not have a budget earlier? There was time. Treasury does not go to sleep. It does not stop working just because there is an election. Every three months, it puts out income and expenditure reports to the government of the day—in this case, the Labor Party government. It knows full well the likely future expenditure. It has in place its policies that it advocated at large during the election. We know that those policies will cost \$5.4 billion of expenditure, which is double the expenditure outlined by any other party. The Labor government introduced those policies knowing full well that this state has significant debts. We will not step away from that, and I will get back to that at some stage in the future in this address.

The issue here is that we are members of Parliament representing the community, and we are being pushed into a corner to approve \$11 billion over a four-year term without any indication of what that money will be spent on. The government does not know because it does not have a budget yet. There is no indication from the Treasurer.

He has waffled on this on a number of occasions. I refer to *The West Australian* on 15 May when he said that “ideally this will be the only Loan Bill”. That is a definitive answer. He also said —

“Hopefully, over the coming four years ...

That is a definitive answer. In effect, we could approve for today \$11 billion as a drawdown facility, and then in 12 months or 18 months or two years, we might be asked to do it again. We are responsible for these decisions. Members have to go back to their communities and say, “Yes, we agreed to the \$11 billion.” In two years, we will be pushed into a corner, through lack of parliamentary process by this government out of sheer arrogance, to do it again. What are we going to do? Members need to think about that. Government expenditure and debts and loans by governments are de rigueur today. These loans are about building infrastructure, which is imperative if our communities are to go forward. As Western Australians, we need to understand that per capita we are one of the wealthiest states in the world and we should not step back from that. Otherwise, Hon Aaron Stonehouse and people such as him will not have the ability to live as we do today with our standard of living with some of the best education systems, health systems and transport systems in the western world. Our population is 2.7 million in an area a third of the size of Australia. We are one of the best states in the world. If members do not agree with me, I urge them to go to the eastern states and look at some of the B and C-class roads over there. That is what borrowing is about.

The issue I am discussing today is the process the government has used in this place to ask for \$11 billion over four years without any guarantee that it will not ask for more money at some stage in the future. What does it do? What has it done since it has formed government? It has blamed the previous government.

Hon Stephen Dawson: Whose fault was it?

Hon JIM CHOWN: I am more than happy to get to that, Hon Stephen Dawson. The government needs to own it. If Labor wants to be in the prime position and be the government of this state, it needs to step up and take care of its own responsibilities because it is very, very —

Hon Samantha Rowe: You should be embarrassed about how you left this state.

Hon JIM CHOWN: I am not embarrassed. Hon Samantha Rowe should tell me which hospital, which road and which school we should not have built. Tell me which one. Give me an example. The member cannot, because the government to which I belonged over an eight-year period built infrastructure that this state required and that the previous government should have built when it had the ability to do so. Labor was in power for eight years; it had billion-dollar surpluses. Nobody knows where the money went.

Hon Peter Collier: They didn't pay their teachers. They were the lowest paid teachers in the nation.

Hon JIM CHOWN: Exactly. We came to power at the height of the global financial crisis. Labor could not put any —

Hon Samantha Rowe: Keep going. You have 39 minutes.

Hon JIM CHOWN: Hang on. The member interjected; I am responding to her.

The ACTING PRESIDENT: Order, please!

Hon JIM CHOWN: I am responding to the member's interjection. If the member does not like what I am saying, fine; she should interject again. But when we came to power in 2008, some classrooms in this state were not staffed by qualified teachers. More police were leaving the police force than were joining it. The health system was in absolute disarray. It was absolutely disgusting.

Hon Simon O'Brien: It was falling apart.

Hon JIM CHOWN: Yes. We had to borrow money because our GST return was falling.

Hon Simon O'Brien: People couldn't get a bed.

Hon JIM CHOWN: Corridors were full of patients. There was ramping for days at every major tertiary hospital in this state. We rectified that and we did a lot more, and that cost money; there is no doubt about that all. As Hon Steve Thomas talked about, the GST share is a real issue for this state, but I will go back to the process that we are being pushed into by this government to borrow \$11 billion over four years without any guarantee that the government will not ask for more. Why is that? I would like Hon Stephen Dawson to explain in his response to the second reading debate why the government is asking for \$11 billion. The proper process would be to ask for whatever we need up to the budget time or the 2018 budget, and then we would give it serious consideration as responsible Legislative Councillors. The \$11 billion over four years is the largest borrowing that this state has ever undertaken.

Can we imagine going to our bank manager and saying, “I want to borrow \$11 billion. I don't know what I need it for but please give it to me”? That is what the government is asking us to do here. Tick! It is because it has no alternative. I think it is outrageous and it is a form of absolute arrogance that this government is showing on a daily basis. It is holding us personally in contempt and every member in this place in contempt. I would like to hear someone from the government back bench or any member opposite explain why this undertaking is being put forward to this house without reasonable debate or seeking a reasonable amount. There is silence—absolute

silence. I assume Hon Stephen Dawson will have a response when his time comes, and that he will be advocating that the money is required to fund Labor policies that it put forward at the state election, such as Metronet. What was that worth? It was worth \$5 billion.

Hon Stephen Dawson: It was not.

Hon JIM CHOWN: How much?

Hon Stephen Dawson: I will tell you later. Ask the questions now and you will get a response.

Hon JIM CHOWN: Fine. All right; it is \$3 billion or \$3.5 billion—in that figure.

Hon Stephen Dawson: First you said \$5 billion and now you're saying \$3.5 billion. You are making stuff up this afternoon, honourable member.

Hon JIM CHOWN: No, I am not. I will stand corrected.

The ACTING PRESIDENT: Members!

Hon JIM CHOWN: I am fine. The government's promises were \$5.3 billion. Metronet was about \$2.5 billion to \$3 billion, from memory. Metronet was a major policy platform of the Labor Party at two elections when public transport patronage is declining at between five and 10 per cent per annum.

[Interruption.]

Hon JIM CHOWN: I thought that was the bell, Mr Acting President, but I was mistaken!

I am more than happy to hear from the minister acting on behalf of the Treasurer about where this money is being spent. I think it is absolutely essential that we understand and get some definitive figures, even though we do not have a budget, to put on *Hansard* for future reference and public scrutiny from this government before we approve this bill at all. I think it is absolutely essential. I expect the minister representing the Treasurer to outline in his reply to the second reading debate, line by line, where this borrowing is to be spent over the next four years, what the government's plan is, how it will back it up, and what consultation has taken place with each department for this expenditure. We do not want a thought bubble. We do not want something that the government makes up, as Hon Ken Baston saw during question time the other day. It is a very good example of how this government is prepared to mushroom the guys and ladies in this place.

On Tuesday, Hon Ken Baston asked the minister representing the Minister for Emergency Services a question relating to a 10 April report in *The West Australian*—so it was a public utterance by the minister—in which the minister estimated the cost of a rural fire service at \$400 million. He asked if the costing was based on departmental advice or on modelling. That is a fair question and a responsible question from an opposition. The response was that it was not an estimate—that is fine—but a figure used to demonstrate the unaffordability of a Western Australian rural fire service comparable to eastern states models. What? One minute this is not an estimate, and then we find out it was not even a guesstimate. I do not know where the figure comes from; we may never know where the \$400 million figure came from. For a minister of the Crown to respond to a question like that is a damn good example of how this government is operating and it is a perfect example of what this bill is asking us to do. That is an issue for us. It is an issue to which I and all members have to give some serious consideration over the next few days. We can all sit over here and say, “Yes, yes, rubberstamp”, but if members think they are here to do that, I suggest they pack their bags and go home, because they would not be serving the communities that voted them in here.

The former government had a very good pre-election policy going forward—I admit we did not sell it very well, because it went forward at the last minute—which was the sale of 51 per cent of Western Power for a projected \$11 billion. Who knows if it would have got to \$11 billion? It might have got to \$13 billion; it might have been \$8 billion or \$9 million, but the marketplace would have set that price. Hon Colin Tincknell asked about the people who cannot afford alternative forms of energy, and that is a good question. The end reality is that the people who cannot afford alternative forms of energy will subsidise those who can, and in 10 or 15 years they will be carrying the weight of the infrastructure of Western Power in every power bill. This is a massive issue.

The Labor Party in opposition went out and told the public of Western Australia a raft of lies that were based on nothing but fear. It played the fear game. It was prepared to sacrifice its own principles as honourable members of Parliament in the public arena to win government. That is absolutely untenable. The Labor Party was so desperate to win government after eight and a half years in opposition that it said and did everything and anything to do so, and that starts at the top, with the Premier. The Sicilians have a wonderful old saying: the smell always starts at the head. We have seen that again and again as this government has discovered that being in government is a very heady, responsible place to be. We have seen backflip after backflip, and we will get to the point at which Western Power will not be sold and we will therefore not be the recipients of the between \$8 billion and \$11 billion that would have at least defrayed \$5 billion to \$8 billion of state debt, while the rest could have been utilised on public infrastructure requirements. No, because the unions would not let it happen.

Debate interrupted, pursuant to standing orders.

[Continued on page 992.]

Sitting suspended from 4.15 to 4.30 pm

QUESTIONS WITHOUT NOTICE**SYNERGY — COST TO SERVE****190. Hon PETER COLLIER to the minister representing the Minister for Energy:**

- (1) In 2014, what was Synergy's forecast cost to serve for the years 2014–2017?
- (2) In 2015, what was Synergy's forecast cost to serve for the years 2015–2018?
- (3) In 2016, what was Synergy's forecast cost to serve for the years 2016–2019?
- (4) What is Synergy's forecast cost to serve for the years 2017–2020?
- (5) What was Synergy's actual cost to serve for the years 2014–2017?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The answer I have is that this information cannot be provided in the time available and I request that the member place the question on notice.

BUSSELL HIGHWAY — DUALLING — MEMBER FOR COLLIE–PRESTON**191. Hon PETER COLLIER to the minister representing the Minister for Transport:**

- (1) Since 11 March 2017, has the member for Collie–Preston or his electorate staff made any representations by phone, email or letter to the Minister for Transport or her ministerial office regarding the completion of the dualling of Bussell Highway from Capel to Busselton?
- (2) If yes to (1), please list the dates and the method of this communication.

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. I do not have the question or the answer in my file. I am happy seek an answer for the member.

Hon Peter Collier: It might come in because I submitted it this morning.

Hon STEPHEN DAWSON: I have a number of other questions in the member's name. If it has been lodged and I can get an answer for the member, I will give it to him at the end of question time.

**METROPOLITAN REGION SCHEME AMENDMENT 1271/41 —
LOT 59 WILKINS ROAD, KALAMUNDA****192. Hon DONNA FARAGHER to the minister representing the Minister for Planning:**

I refer to the answer given to question without notice 123 asked on 25 May 2017. Given that the former state government announced on 23 January 2017 that it supported metropolitan region scheme amendment 1271/41, lot 59 Wilkins Road, Kalamunda, can the minister confirm what section or sections under the Planning and Development Act 2005 she is utilising to revoke that approval?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided to me by the Minister for Planning.

Section 55(2) of the Planning and Development Act 2005 has been utilised.

PUBLIC TRANSPORT AUTHORITY — SERVICES**193. Hon MARTIN ALDRIDGE to the minister representing the Minister for Transport:**

I refer to public transport services operated by the Public Transport Authority.

- (1) What is the total number of fare paying boardings on the following services in 2015–16 —
 - (a) Transperth bus;
 - (b) Transperth rail;
 - (c) Transperth ferry;
 - (d) Transwa bus; and
 - (e) Transwa rail?
- (2) What is the total cost of providing the following services in 2015–16 —
 - (a) Transperth bus;
 - (b) Transperth rail;
 - (c) Transperth ferry;
 - (d) Transwa bus; and
 - (e) Transwa rail?
- (3) Would the minister please advise the house what she considers economically sustainable in terms of public transport?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

(1)–(2) I table the attached report.

- (3) The Public Transport Authority measures and continues to monitor a number of key performance indicators to ensure that there is a balance between its social obligation and the provision of service, and that the funding provided is used in a cost-effective manner.

[See paper 278.]

MURRAY RIVER FISH KILL

194. Hon RICK MAZZA to the parliamentary secretary representing the Minister for Fisheries:

I refer to the May 2017 Murray River fish kill that the minister advised resulted in a conservative estimate of 30 000 dead fish.

- (1) What research is being done or will be done to assess the impact of this fish kill on fish stocks?
- (2) Given that the Murray River is an important recreational bream fishery, what is the likely impact upon recreational fishers?

Hon SAMANTHA ROWE replied:

I thank the honourable member for some notice of the question. I provide this answer on behalf of the minister representing the Minister for Fisheries.

- (1) Previous fish kills in the Murray River have seen stocks recover with time and it is anticipated that this will again be the case. The Department of Fisheries will work with Recfishwest to ascertain if recreational catches are returning to normal levels.
- (2) Although short-term reductions in fishing quality would be expected, it is unlikely that there will be long-term negative impacts on bream stocks and recreational fishing in the Murray River.

PUBLIC SECTOR COMMISSION — INTERNAL VALUES AND STRATEGIC PRIORITIES

195. Hon NICK GOIRAN to the Leader of the House representing the Premier:

I refer to the answer to my question without notice 188 on 14 June 2017, informing the house that the Public Sector Commission has developed new internal values effective 3 July 2017. Will it be voluntary or mandatory for employees to support and/or adhere to the new values?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question. The Public Sector Commission advises that as per “Commissioner’s Instruction No. 8”, the PSC’s code of conduct is mandatory for all staff. The internal values and strategic priorities supplement the code by outlining the direction, priorities and values of the PSC. The PSC encourages all employees to know and understand the values of the organisation.

CORRECTIVE SERVICES — PAROLEES — RECIDIVISM RATE

196. Hon SIMON O’BRIEN to the minister representing the Minister for Corrective Services:

I refer to my question asked on 14 June, noting a rate of 4.9 per cent, or 53 out of 1 086, of parole cancellations for reoffending in 2015–16.

- (1) What was the rate for each year from 2007–08 to 2014–15?
- (2) Is the current rate considered to be a good or poor result?
- (3) What is the target rate, or KPI if there is one, for recidivism by former prisoners released on parole in Western Australia?

Hon STEPHEN DAWSON replied:

I thank the member for some notice of the question.

- (1) The rates of parole cancellations for reoffending are shown in the table below.

I seek leave to have the response incorporated into *Hansard*.

Leave granted.

The following material was incorporated —

Year	Offenders With Completed Parole Orders	Parole Cancelled for Re-offending	Rate of Parole Cancellations for Re-offending
2007-2008	1653	248	15.0%
2008-2009	1894	317	16.7%
2009-2010	1393	166	11.9%
2010-2011	820	63	7.7%
2011-2012	712	32	4.5%
2012-2013	808	22	2.7%
2013-2014	1014	32	3.2%
2014-2015	894	35	3.9%

- (2) In the absence of national benchmarks, the department is only able to compare the results from one year to the next.
- (3) The department does not have a KPI or target rate for recidivism of former prisoners released on parole in Western Australia.

AMMONIUM NITRATE PLANT, BURRUP PENINSULA — NITROGEN DIOXIDE RELEASE

197. Hon ROBIN CHAPPLE to the Minister for Environment:

I refer to the answer to my question asked on 13 June regarding Yara's technical ammonium nitrate plant in the Pilbara.

- (1) Were these start-up releases addressed in the Environmental Protection Authority's original assessment of the TAN plant?
- (2) If yes to (1), is this a breach of Yara's operating conditions?
- (3) If no to (1), why not?
- (4) Has there been another release of this nature from the Yara TAN plant since 29 April?
- (5) Given that Yara Pilbara has stated that there will be a release of this nature every time the plant is in start-up mode and the government's stated position is that this is an abnormal event, what will be done to address these ongoing releases?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided to me by the Office of the Environmental Protection Authority.

- (1) Yes.
- (2) No.
- (3) The company is required to adopt and implement best practice pollution control technology to minimise air emissions, which are monitored under its approved ambient air quality monitoring program. The conditions do not prohibit start-up events that large processing plants will always require as part of their operation.
- (4) Another release of this nature from the Yara TAN plant has not been reported to the Department of Environment Regulation since 29 April 2017.
- (5) Abnormal events can include plant start-up, shut down, and upset conditions. During abnormal events, emissions can be higher than normal. The TAN plant is currently being commissioned, and therefore abnormal events may occur more frequently. However, these events are generally infrequent and for short durations. Once operational, it is expected that the TAN plant will shut down or start-up four to five times per year. As a result of the 29 April event, Yara Pilbara has introduced additional controls to improve emissions during start-up.

PAYROLL TAX

198. Hon AARON STONEHOUSE to the minister representing the Treasurer:

I refer the Treasurer to the latest survey by the Chamber of Commerce and Industry of Western Australia that found that 72 per cent of businesses surveyed said that payroll tax was the biggest issue facing job growth. I note that the Treasurer has previously expressed his support for tax reform and that the government has a comprehensive plan for jobs. Given that the business community has told us payroll tax is a problem, why is the Treasurer ignoring the issue?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

This information has been provided by the Treasurer. The state government has a comprehensive plan for jobs, but the government also has to deal with the reality of record deficits and debt and the fact that payroll tax is a vital source of revenue to help fund essential services. In this regard, payroll tax is estimated to raise \$3.3 billion in 2016–17 or about 38 per cent of the state's total revenue this financial year.

FOREST PRODUCTS COMMISSION — FOREST MANAGEMENT PLAN

199. Hon COLIN HOLT to the minister representing the Minister for Forestry:

I refer to the Forest Products Commission harvesting plan, in particular the Denham block in the Mornington forest.

- (1) Is the minister aware of the community's concerns about logging in this area?
- (2) What consultation with the community has occurred on logging in this area?
- (3) Has a fauna and flora or other survey occurred in the area to ascertain any potential impacts of the Waroona–Yarloop bushfire that occurred in early 2016?
- (4) Is the minister satisfied that all concerns have been addressed and the correct processes have occurred to allow the logging of the Denham block to go ahead?

Hon SAMANTHA ROWE replied:

On behalf of the minister representing the Minister for Forestry, I thank the honourable member for some notice of the question.

The following answer has been provided by the minister representing the Minister for Forestry.

- (1) Yes.
- (2) Consultation has occurred through the production of the forest management plan; the three-year harvest plan, published by the Department of Parks and Wildlife; the one-year harvest plan, published by the Forest Products Commission; and local consultation with neighbours and stakeholders. These discussions are continuing.
- (3) Assessments and surveys for flora and fauna occur prior to the commencement of harvesting for all coupes. Denham is south of Harvey and was unaffected by the Waroona–Yarloop bushfire.
- (4) The Forest Products Commission undertakes a comprehensive planning process for each harvest coupe. This assessment is reviewed and must be approved by the Department of Parks and Wildlife prior to the commencement of harvesting activity. Although the Forest Products Commission addresses concerns, it is not always possible to satisfy all stakeholders.

MARINE PARKS — LALANG-GARRAM–HORIZONTAL FALLS

200. Hon KEN BASTON to the Minister for Environment:

I refer to the Lalang-garram–Horizontal Falls marine park and the associated changes to zoning that will affect recreational fishing within the boundaries of this marine park. Can the minister confirm when the zoning scheme for the Lalang-garram–Horizontal Falls marine park will be formalised?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

The zoning scheme for the Lalang-garram–Horizontal Falls marine park will be gazetted by the end of 2017.

MENTAL HEALTH BILL 2013 — REVIEW

201. Hon ALISON XAMON to the parliamentary secretary representing the Minister for Mental Health:

I refer to the second reading speech for the Mental Health Bill 2013, in particular, comments relating to the review clause and the need for the review of the act to be timely, comprehensive and genuinely engage all stakeholders.

- (1) How is planning to design the consultation process for the review proceeding?
- (2) Will the government commit to involving external stakeholders in the design of the review?
- (3) Will the scope of the review of the Mental Health Act 2014 include an assessment of challenges to the effective implementation of the Mental Health Act 2014?
- (4) Noting the complexity of the Mental Health Act 2014, when does the government intend to initiate the review process?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

On behalf of the parliamentary secretary, the following information has been provided by the Minister for Mental Health.

- (1) The Mental Health Commission is currently progressing a two-year post-implementation review of the Mental Health Act 2014. This review is required to be submitted to the regulatory gatekeeping unit of the Department of Finance by 30 November 2017. The act also requires a five-year statutory review of its operation and effectiveness.
- (2) The government is committed to involving external stakeholders in the preparation of the two-year post-implementation review and the five-year statutory review. The Mental Health Commission is currently consulting with the Department of Health, the Chief Psychiatrist, non-government organisations and other key stakeholders for the purposes of the post-implementation review. It is expected that consultation with consumers, families and carers will commence in July 2017.
- (3) The post-implementation review will focus on whether the objects set out in part 3 of the Mental Health Act 2014 are being achieved. The statutory review will be broader in scope, focusing on the operation and effectiveness of the act.
- (4) The Mental Health Commission is currently undertaking consultation as part of the post-implementation review of the Mental Health Act 2014. This will inform the future statutory review, although the statutory review will be broader in scope.

MINISTER FOR REGIONAL DEVELOPMENT — CONFLICT OF INTEREST — JACKIE JARVIS

202. Hon JIM CHOWN to the Minister for Regional Development:

- (1) Is Jackie Jarvis a staff member in the minister's ministerial office?
- (2) If yes to (1), what is her remuneration?
- (3) Is Jackie Jarvis currently engaged as a commissioner for the Forest Products Commission?
- (4) If yes to (3), what is her remuneration?
- (5) Is Jackie Jarvis a director of Jarvis Estate wines?
- (6) If yes to (5), how much is her remuneration, income or in-kind support from the position?
- (7) Has a conflict of interest been declared to either the Department of the Premier and Cabinet or the Forest Products Commission?

Hon SAMANTHA ROWE replied:

I thank the honourable member for some notice of the question.

I provide the following answer on behalf of the Minister for Regional Development.

- (1) Yes.
- (2) She is on placement from the Department of Agriculture and Food, level 8.
- (3) Yes.
- (4) None.
- (5) She is a director of a wine-making business.
- (6) That is not relevant.
- (7) Conflict of interest forms have been lodged with her employer.

DEPARTMENT OF MINES AND PETROLEUM — EXEMPTION APPLICATIONS

203. Hon ROBIN SCOTT to the minister representing the Minister for Mines and Petroleum:

With reference to all applications for exemptions lodged under the Mining Act 1978 with the Department of Mines and Petroleum within the last 12 months —

- (1) Will the minister advise how many applications under the Mining Act 1978 for exemption from expenditure conditions have been received and how many have been approved?
- (2) Will the minister advise the total financial amount of exemptions applied for and granted?
- (3) For the specific tenements that have had exemptions refused, what was the outcome including the amount of a fine, if any, or possible forfeiture?

Hon SAMANTHA ROWE replied:

I thank the honourable member for some notice of the question.

I answer on behalf of the minister representing the Minister for Mines and Petroleum. The following information has been provided by the Minister for Mines and Petroleum.

- (1) Yes. The number of applications for exemption received was 1 983. The number of exemptions granted was 1 779.
- (2)–(3) Given the number of applications involved, collating this information would take considerable time and create a significant workload for the Department of Mines and Petroleum, requiring a manual review of all mining tenements for which exemption was applied for over the period. I therefore ask that the member put these questions on notice.

LAND CLEARING — THREATENED SPECIES — LEWIN FOREST

204. Hon DIANE EVERS to the minister representing the Minister for Forestry:

- (1) Is the minister aware of reports by WA Forest Alliance last month that rare nesting hollows critical to the survival of forest red-tailed, Baudin's and Carnaby's cockatoos and other threatened wildlife were destroyed during clear-felling in Lewin Forest near Manjimup?
- (2) Does the minister acknowledge that the WA government's 2008 recovery plan for forest red-tailed and Baudin's cockatoos lists habitat loss and a shortage of nest hollows as some of the key threats to these species and calls for increased habitat protection, including of known nesting trees?
- (3) What statutory requirements, if any, exist for the protection of threatened species habitat during logging operations?
- (4) If there are no statutory requirements —
 - (a) what are the guidelines for the protection of threatened species habitat during logging operations;
 - (b) who monitors to ensure these guidelines are followed; and,
 - (c) what action does the government take if the guidelines are not adhered to?

Hon SAMANTHA ROWE replied:

I thank the honourable member for some notice of the question. I provide the following answer on behalf of the minister representing the Minister for Forestry.

- (1) I am aware of the claims made by the WA Forest Alliance.
- (2) I am aware of the recovery plan.
- (3) Harvesting operations are managed under the provisions of the "Forest management plan 2014–2023" and various subsidiary documents produced in accordance with the Conservation and Land Management Act 1984. The "Forest management plan" states at page 20 —

The Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) also contains provisions relating to the protection of nationally-listed threatened species and ecological communities. In that part of the plan area covered by the RFA ... the Commonwealth and State governments have agreed that the CAR reserve system and the forest management system meet the requirements of that Act for the protection of threatened flora and fauna and ecological communities ... Therefore, the provisions of the EPBC Act for environmental assessment are not triggered for forestry operations.

- (4) Not applicable.

POLICE — OFFICERS ASSAULTED

205. Hon CHARLES SMITH to the minister representing the Minister for Police:

With the Minister for Police's rejection of the WA Police Union's call to equip frontline staff with stab-proof vests, and with the increasing trend of assaults against the person, can the minister advise of the number of police officers who have submitted incident reports alleging an assault against them in the last 12 months?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Minister for Police.

The Minister for Police has not received a request from WA Police for additional stab-proof vests. I would request that the member put the question about incident reports on notice.

WESTERN AUSTRALIAN BIODIVERSITY AUDIT

206. Hon Dr STEVE THOMAS to the Minister for Environment:

I refer to the Department of Parks and Wildlife's second biodiversity audit—version II—which was an update of the first audit released in 2002.

- (1) Has this audit been completed; and, if not, will the government have it completed?
- (2) Will the audit database be made a public document, as the first audit report was?
- (3) If no to (2), why not?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Department of Parks and Wildlife.

- (1) Yes.
- (2) I am pleased to inform the house that the audit II database has been publicly available since September 2015 through the conservation science library or by visiting a Department of Parks and Wildlife office. Creating a database was the most effective way of making the large volume of information available, which is used by staff and the public to conserve the state's natural environment. I am advised that this format has resulted in the database being used to inform stakeholder groups in formulating their business. For example, in my electorate, the Rangelands NRM has used the database to produce the 2016 Pilbara conservation action plan.
- (3) Not applicable.

UTAH POINT — SUBSIDY

207. Hon TJORN SIBMA to the minister representing the Minister for Transport:

I refer to the minister's answer to my question without notice 162 asked on 13 June concerning the continuation of the \$2.50 per tonne cost relief package utilised by users of the Utah Point bulk handling facility. As the current arrangement expires in a fortnight, when can industry expect a government decision?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Minister for Transport.

This matter is currently being considered by the government.

EDUCATION CENTRAL — SECONDARY SCHOOL — KITCHENER PARK

208. Hon DONNA FARAGHER to the minister representing the Minister for Lands:

I refer to the answer given to question without notice 144 asked on 13 June 2017 of the Minister for Education and Training. Can the minister confirm whether sections 42 and 43 of the Land Administration Act 1997 and/or any other sections of the act will apply to any proposed change to the reserve status of Kitchener Park; and, if yes, will the minister list the section or sections that will apply?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Minister for Lands.

Sections 42 and 43 of the Land Administration Act 1997 would not apply on the basis that Kitchener Park is not a class A reserve. The Minister for Lands may by order cancel, change the purpose of or amend the boundaries of a reserve pursuant to part 4 of the LAA.

CHILDREN'S COURT DRUG COURT

209. Hon ALISON XAMON to the Leader of the House representing the Attorney General:

I refer to the Children's Court Drug Court.

- (1) Given the demonstrated success of the court and clear need in regional areas, will the government commit to expanding this court to regional areas?
- (2) If no to (1), why not?
- (3) If yes to (1), when?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

- (1) There is no current plan to expand the Children's Court Drug Court to regional areas.
- (2) There has not been an assessment undertaken of the need for an expansion of the Children's Court Drug Court to regional areas.
- (3) Not applicable.

POINT-OF-CONSUMPTION WAGERING TAX

210. Hon COLIN HOLT to the minister representing the Minister for Racing and Gaming:

I refer to the minister's comments in *The West Australian* of 3 June 2017 in which he is reported to support the implementation of a point-of-consumption wagering tax.

- (1) When will the minister's detailed advice referred to in the article be ready?
- (2) Will the minister table the advice when ready; and, if not, why not?
- (3) If no to (2), how will the minister engage with the racing industry to ensure that it is fully informed?
- (4) I ask again: will the minister commit to returning all proceeds from the tax to the racing industry?

Hon SAMANTHA ROWE replied:

I thank the honourable member for some notice of the question. I provide the answer on behalf of the minister representing the Minister for Racing and Gaming.

- (1) The government's detailed assessment will include consultation with other states and territories. The government will make announcements once decisions are made.
- (2) Should the government decide to implement a point-of-consumption wagering tax, legislation will be required to enable this. This process will provide for the appropriate scrutiny by this Parliament on the issue.
- (3) I will continue to engage with the racing industry on this matter and a range of others, as I have since my appointment.
- (4) Decisions on the best use of any proceeds from a tax, if implemented, will be made at an appropriate time.

The basis of the question provides further insight into the financial mismanagement of the previous government and the National Party's approach to committing to spend money before it is even raised or the impacts known. The current government will conduct a proper analysis, consult with stakeholders and weigh up the concerns and interests of the entire community before commitments are made.

FAMILY AND DOMESTIC VIOLENCE — INITIATIVES

211. Hon NICK GOIRAN to the Leader of the House representing the Attorney General:

I refer to the answer given by the Minister for Prevention of Family and Domestic Violence on Thursday, 18 May 2017 to question without notice 54 asked in the other place.

- (1) What are the initiatives the Attorney General has "in train" that will improve our criminal justice system to hold perpetrators to account?
- (2) In which calendar month of this year will each of these initiatives be implemented?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

- (1) The government made comprehensive commitments to family and domestic violence reform. The commitments within the Attorney General's portfolio are being addressed to enhance the avenues for the criminal justice system in holding perpetrators to account.
- (2) The implementation of each of the aforementioned initiatives is to occur following the appropriate consultation and government process.

WILD DOGS — BOUNTY TRIAL

212. Hon RICK MAZZA to the parliamentary secretary representing the Minister for Agriculture and Food:

I refer to the previous government's funding of \$75 000 for a wild dog bounty trial in the Murchison region in which 505 wild dogs were eliminated across 50 pastoral stations.

- (1) Is the minister aware of the success of this trial?
- (2) Will the minister include funding for wild dog bounties as an effective and proven method of curtailing the wild dog population?

Hon SAMANTHA ROWE replied:

There is no answer provided in the folder, so if it comes in, obviously I will pass it on.

ROE HIGHWAY STAGE 8 — OFFSET LAND

213. Hon DIANE EVERS to the minister representing the Minister for Transport:

I refer to the “Roe Highway Extension Land Acquisition and Management Plan”, dated November 2016.

- (1) How much did the previous government spend in purchasing a total of 624 hectares of land at Lake Clifton and Nirimba as an offset for Roe 8?
- (2) Given that Roe 8 will not be built, what will the government do with this land?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Minister for Transport.

- (1) The government spent \$13.9 million.
- (2) The land will be included in the Western Australian conservation estate.

RANDOM ROADSIDE TESTING

214. Hon TJORN SIBMA to the minister representing the Minister for Police:

- (1) How many random roadside drugs tests were conducted in each month from 1 July 2016 to date?
- (2) How many random roadside drugs tests were positive in each month from 1 July 2016 to date?
- (3) What were the most common drugs detected in those random roadside drug tests?
- (4) How many random roadside drink-driving tests were conducted in each month from 1 July 2016 to date?
- (5) How many random roadside drink-driving tests produced results above the legal limit in each month from 1 July 2016 to date?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of this question. The following information has been provided by the Minister for Police.

The information required in this question is detailed. I would therefore request that the question be placed on notice.

WARDEN’S COURT — PART IV PROCEEDINGS

215. Hon ROBIN SCOTT to the minister representing the Minister for Mines and Petroleum:

I refer the minister to an article titled “Pollies push for a Warden’s Court Result”, which appeared in the *Kalgoorlie Miner* of Thursday, 11 May 2017, and was about the suspension of arrangements for agents other than lawyers to act on behalf of prospectors and small miners when the Mining Warden is acting in an administrative capacity.

- (1) Can the minister state what specific options are available to the Department of Mines and Petroleum to restore the right of agents to act, including a possible amendment to regulation 169 of the Mining Regulations 1981?
- (2) Will the minister take expedient action by amending regulation 169 to resolve this matter so that agents can again act on behalf of prospectors and small miners?

Hon SAMANTHA ROWE replied:

On behalf of the Minister for Regional Development, I thank the honourable member for some notice of the question. The following information has been provided to me by the Minister for Mines and Petroleum.

- (1) Parties can still be represented by an agent in proceedings under part IV of the Mining Act 1978 in exceptional circumstances, with the leave of the Mining Warden. Practice directions for the Mining Warden acting in an administrative capacity are issued, amended and cancelled by the Chief Magistrate, independent of the Department of Mines and Petroleum. Following the rescission of Practice Direction 1 of 2014, DMP is monitoring the current situation in the Warden’s Court as it pertains to part IV proceedings.
- (2) The Department of Mines and Petroleum is assessing possible options to provide clarity to the industry on this matter, including reviewing the effectiveness of regulation 169 of the Mining Regulations 1981.

EDUCATION CENTRAL — SECONDARY SCHOOL — KITCHENER PARK

216. Hon DONNA FARAGHER to the Minister for Education:

The minister was a bit concerned that she would not get a question today!

Is the decision to build a school at Kitchener Park based on projections of total population growth in the western and inner-city suburbs and/or projections of total student population growth in those areas?

Hon SUE ELLERY replied:

I thank the honourable member for providing me with a question. I think it is weird when a minister has to be sad that she does not have a question!

It was based on a number of things. It was looking at, indeed, student enrolment projections. It was also based on population projections in terms of increasing density in the range of suburbs that were looked at. There was a range of other factors as well, which I have already outlined to the house, including connections to public transport and all those sorts of things. It was a combination of projections of student enrolment and population, and a range of other matters.

REMOTE ABORIGINAL COMMUNITIES**217. Hon ROBIN CHAPPLE to the minister representing the Minister for Aboriginal Affairs:**

I refer to the minister's address to UnionsWA on 30 May 2017, on the fiftieth anniversary of the 1967 referendum, in which he acknowledged that the stolen generation was a deliberate attempt to ensure that the Aboriginal practice of country, the heritage and the significance of the long connection to country was removed.

- (1) Does the minister also acknowledge that forcibly closing a remote Aboriginal community or cutting off services to that community to the point where living on country becomes untenable amounts to the same removal of connection to country and heritage?
- (2) Will the minister commit to ensuring that no Aboriginal person living on country will have to move against their wishes, either directly or as a result of the government ending the provision of services to that community?
- (3) Will the minister move quickly to address the uncertainty felt by Aboriginal people living in remote communities about their future capacity, and rights to do so?
- (4) Does the minister stand by the commitments he made in this speech?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information has been provided by the Minister for Aboriginal Affairs.

- (1)–(4) As Minister for Aboriginal Affairs, I am committed to ensuring that Aboriginal people maintain a connection to their country while also having access to the same opportunities as non-Aboriginal people. The McGowan government supports the regional services reform and is committed to improving the lives of Aboriginal people in regional and remote communities. The reform is not intended to close Aboriginal communities, and Aboriginal leaders and communities are involved in the consultation and implementation processes.

QUESTION ON NOTICE 3*Paper Tabled*

A paper relating to an answer to question on notice 3 was tabled by **Hon Stephen Dawson (Minister for Environment)**.

LOAN BILL 2017*Second Reading*

Resumed from an earlier stage of the sitting.

HON JIM CHOWN (Agricultural) [5.08 pm]: It is always a bit difficult to recommence an address to this place after a break of 40-odd minutes for question time.

Hon Nick Goiran: Start again!

Hon JIM CHOWN: I am tempted to start again, Hon Nick Goiran, but rather than bore the house for another 20 minutes, I will continue with my remarks. I may recap at a later time.

I had been talking about Metronet, which is a major policy that the Labor Party has gone forward with, and Hon Stephen Dawson engaged in a bit of repartee about the cost. May I say at this stage that I hold Hon Stephen Dawson in very high regard. I believe he is an honourable person and a gentleman. I would say the same about Hon Sue Ellery.

Hon Sue Ellery: I am not a gentleman, thank you!

Hon JIM CHOWN: I am getting to that, please. I will not take that interjection. I think Hon Sue Ellery is a lady of great ability. Both Hon Stephen Dawson and Hon Sue Ellery would be outstanding ministers in the right government. Unfortunately, they are in the wrong government.

Several members interjected.

Hon JIM CHOWN: That is a backhanded compliment to both of them, but I mean that sincerely.

Hon Sue Ellery: We love you too, Jim!

Hon JIM CHOWN: We will get back to Metronet. This has been a baseline program of the Labor Party. I will not go into all the lines and the intentions of putting in place this \$2.5 billion of expenditure. I am sure the Loan Bill will have a fair bit to do with that piece of infrastructure at some stage in the future.

We need to bear in mind that if \$2.5 billion is borrowed to put infrastructure in place, public transport is actually subsidised from the budget by about 80 per cent as well. As I said earlier, patronage on public transport has been declining at a massive rate since 2012. I have questions about the Loan Bill 2017 and the minister's second reading reply, and I am more than happy to put them to the minister during the committee stage on the short title: What is the estimated cost of Metronet? How much of the Loan Bill will be used to pay for Metronet? Has Metronet been costed appropriately by the Department of Transport? These questions are very pertinent to whether this house approves this bill. I would also like to ask the minister representing the Treasurer about the government's debt-reduction strategy. It has been brought up by more than one speaker in this place this afternoon and it was advocated as a policy prior to the Labor Party coming into government. Labor went to the people and said that it was going to reduce debt. Mark McGowan, the now Premier, said that the government would do it slowly and responsibly, but that it will have a debt-reduction strategy.

Hon Simon O'Brien: Just like paying off the family home.

Hon JIM CHOWN: Just like paying off the family home. By 2020 or 2021, he said that we will have a slight surplus of a couple of hundred million dollars. I would like to know what that debt-reduction strategy encapsulates, when it is likely to be put in place; and, if it cannot be put in place, why not. They are the sort of questions we expect answered in this house before we meet the government's request for us to approve this bill of \$11 billion over four years. In life we take people, entities and companies on face value. If somebody lets us down or tells us a blatant lie, we hold them in great disrespect. We actually have great suspicions about anything they have to say to us in future, and that is where I am at with this government—I really am. I will just go through a few things.

Hon Simon O'Brien interjected.

Hon JIM CHOWN: I nearly voted for them. I was starting to believe the rhetoric, as did a major part of the population. As I said in a previous address in this place, I thought that the Prime Minister must have whispered in the Premier's ear and said, "You're going to get 80c of your GST back, boyo, and you can go ahead and spend and spend. You are going to have \$5 billion of GST revenue year after year." Of course, that was just nonsense. Labor still went out there and made these massive promises to the electorate at large. It is the old Goebbels principle back in the 1940s: tell a lie often enough and the general public will come along with you. The blame for this falls on not only the Labor Party, but also the Western Australian press that is just atrocious in its ability to forensically look at some of the statements that were made by all parties. As the fourth estate it has a massive responsibility to forensically analyse statements and put it out in the public arena on talkback radio or anywhere. The press should dig down on government policies and say, "Look, this is not going to swing. This is not going to work." There is only one journalist in this state who I hold in high regard, and that is Paul Murray. He is unbiased in his statements and he does good research work on some of the statements he has made in his editorials. I hope he keeps doing it, I really do. Gareth Parker is getting there. He does some good work. A headline in the paper states words to the effect of "Honeymoon over as promises haunt Labor", and so it should be. The Barnett government had a honeymoon period of at least six years. This government is struggling at this stage to get a honeymoon period of three months. In fact, as I go around my electorate and the metropolitan area, people are a little bit disappointed with the government at this stage. People are saying that if things do not improve in three years, they will start putting up placards saying "Don't blame me. I didn't vote Labor".

Hon Stephen Dawson: Who is telling you that, member? Are you making this stuff up?

Hon JIM CHOWN: The minister needs to get out of his bubble. He needs to get out of Dumas House now and again. He should stop surrounding himself with all those acolytes he has brought in to support him and go back and meet the real people. Surely he has not forgotten his roots.

Hon Stephen Dawson: Show me on the hands.

Hon JIM CHOWN: Seriously, just you wait.

Hon Simon O'Brien: Don't blame me.

Hon JIM CHOWN: Yes, "Don't blame me. I didn't vote Labor". Exactly. I mean, no new taxes —

Hon Stephen Dawson: How many people voted for Liberal in the member's electorate in the Agricultural Region? Not too many.

Hon Simon O'Brien: What? Do you think he doesn't know? He can name them.

Hon JIM CHOWN: No, I cannot actually. This government went to the election with a policy of no new taxes. What is it going to do? When the budget comes down—this is serious—it is going to tax commercial residents in this state \$375. It will be very interesting and members need to take notice. When provision comes forward in the bill, the wording of it is absolutely critical. I understand that if one word is out of place, every resident in this state could be taxed by the Labor Party to pay for its promises that were unfunded and uncosted. It had a couple of Labor acolytes stand up and say, “Yes, tick, tick: this is all done. We are independent.” The government would not put any costings to the Department of Treasury. This is a very important point as we are expected to approve a bill worth \$11 billion without a budget. It is the same premise. On absolute faith, the Labor Party is keeping everybody in this state in the dark like mushrooms about its ability to cost anything. What about this government’s broken promises? We now know that Labor would not sell Western Power because the unions would not let it; that is the bottom line.

Hon Stephen Dawson: It was because the people did not want to sell Western Power, member. Where have you been? Where were you on 11 March? The people voted not to sell Western Power.

Hon JIM CHOWN: Tell me why. It was because Labor went out and told absolute lies about the sale of Western Power. The advertisement was very good; it was a blatant lie. Every night the Treasurer goes home to bed and says to himself, “The Liberal policy on Western Power was brilliant. I wish we hadn’t come out so hard against it. I wish the damn unions had left me alone because then I would not be in the financial trouble that I am now experiencing.” If Labor had sold Western Power, it would have probably been a better damn government than it is now. That will be its undoing over the next three to four years.

Hon Peter Collier: Ask your Labor colleagues in the other states. They don’t mind.

Hon JIM CHOWN: Exactly. The chairman of the Australian Competition and Consumer Commission, Rod Sims, said that the sale of Western Power in this state will not increase power prices. In fact, it could lower them through efficiency gains as a commercial entity. What will this government do? It is going to increase power prices by at least 15 per cent over the next two years. Hon Colin Tincknell —

Hon Stephen Dawson interjected.

Hon JIM CHOWN: Madam President.

The PRESIDENT: You are right. I can see that you need my protection. You were on your feet, Hon Jim Chown, and I suggest you continue for another minute or two before you finish.

Hon JIM CHOWN: Thank you. Hon Colin Tincknell quite correctly asked about the people who cannot afford the price increases. It is actually bigger than that. We are now in an economy that is flat and we have an unemployment rate of about six per cent. In Mandurah the youth unemployment is about 27 per cent. In other areas in the metropolitan area the adult unemployment rate is about 12 or 13 per cent. If power prices are increased to 14 to 15 per cent, as this government is going to do, it will affect business owners. Wages and power are the two major expenses of any business. What is a business owner to do if the business is breaking even but the cost of power goes up by 15 per cent when the business is trying to keep its workforce—its core of workers—so that when things improve the business can operate at a profit again? He will have to tell his staff, “Some of you guys have to go. I can’t afford to employ you anymore. I have to keep the business running because that is my income. I have spent my whole life building up this business, but Labor Party’s increase in power is making me make you unemployed.” That is what is going to happen. Labor said that there would be 50 000 new jobs, but 50 000 people will be unemployed under this government and it will happen over the next 12 months following the next budget. That is my concern as a responsible member of this house representing regional Western Australia. We should all be concerned on this side of the house about where this government is going.

Debate adjourned, pursuant to standing orders.

WESTERN GROUND PARROTS

Statement

HON COLIN DE GRUSSA (Agricultural) [5.20 pm]: I rise tonight to share a little story from my electorate and to talk about a small group of local wildlife champions and their tireless campaign to bring back from the brink of extinction one of the world’s rarest parrots. I have to confess that before I was elected to this place, I never thought I would be making a speech about a parrot, but here I am.

The western ground parrot is Western Australia’s rarest bird. Fewer than 140 western ground parrots are left in the wild and they are disappearing at a fast rate from most of the coastal heathland of the south west. They are now found only in Cape Arid and Fitzgerald River National Parks. The bird itself is very unique. It rarely flies, preferring to spend much of the day on the ground. Its call, only heard when it flies at dawn and dusk, has been said to resemble a boiling kettle. There are only four other species of ground-dwelling parrots worldwide: the almost-extinct night parrot, New Zealand’s kakapo, the Antipodean Island parrot and the eastern ground parrot. As members can imagine, being a land-based bird, the western ground parrot is always at risk of feral predation and bushfires. In 2003 a small group of people decided they wanted to raise awareness of the plight of the

western ground parrot, and formed the Friends of the Western Ground Parrot association. Quite unbelievably to me, no photos of this bird existed prior to 2003. The group spent much of its time carrying out surveys hoping to discover more about these birds. In 2013 the organisation received an award for outstanding services from the Western Australian Department of Parks and Wildlife for its ongoing assistance in the recovery project.

As many members would be aware, Esperance suffered dramatically from bushfires in 2015. The loss of life, crops, livestock and property was absolutely devastating for our community. The western ground parrot also suffered in that time. Cape Arid National Park, 120 kilometres east of Esperance, is home to this bird and covers 2 800 square kilometres. The park was one of the areas hit the hardest by the bushfires and 90 per cent of the parrot's unique habitat was destroyed. Just last week, I had the pleasure of being part of the sold-out audience in Esperance that watched *Secrets at Sunrise*, a film that explores the passion and determination of the people who have dedicated themselves to saving the western ground parrot. This film was made by Esperance filmmaker Jennene Riggs. It is a wonderful film that definitely draws attention to the plight of the western ground parrot and other native wildlife issues. The film focuses on the activities of the Friends of the Western Ground Parrot group, and its hard work over the last decade, in partnership with other conservationists, to try to beat the race against time to increase the number of western ground parrots. As I said, only 140 birds are left in the wild, and two dynamic teams of dedicated scientists and volunteers are working tirelessly to restore the bird's numbers. The Department of Parks and Wildlife is working in the field to protect the wild population, track bird numbers and control wild predators. The second team is based at Perth Zoo and is working with the four birds kept in captivity to try to establish a captive breeding program. This is a world-first activity, because with so little existing knowledge about keeping ground parrots in captivity, the team are to some extent flying blind and having to work it out as they go. The challenge to save the western ground parrot has just become harder. Funding cuts have meant that the number of paid staff on the project has been slashed from six to two; there is no money for listening surveys or bird monitoring, and only minimal funding available for feral cat control.

Secrets at Sunrise has been officially selected for the Revelation Perth International Film Festival, which is a great achievement. I congratulate Jennene, her husband David and their team, and strongly encourage all members to get along to the festival in mid-July and watch the film if they can. A fundraising screening is also being held at the Perth Zoo Theatre on 13 July. The documentary was initially funded through crowdfunding undertaken by the Friends of the Western Ground Parrot, and then through grants from the state natural resource management program and royalties for regions. Three years in the making, the documentary draws the audience in to the dramatic battle against time to save this unique and beautiful bird from extinction and gives the audience a chance to see some of the very dedicated people, like Sarah Comer, who work tirelessly to try to save this bird.

I encourage all members to visit the *Secrets at Sunrise* website and find out more about the western ground parrot. Congratulations to the Friends of the Western Ground Parrot, Jennene Riggs, the *Secrets at Sunrise* production team and everyone else who is working to save this bird. I wish them all the very best in their efforts and hope that we see the number of western ground parrots grow both in captivity and in the wild.

JOINT STANDING COMMITTEE ON THE CORRUPTION AND CRIME COMMISSION — NOMINATIONS

Statement

HON ALISON XAMON (North Metropolitan) [5.26 pm]: I rise tonight to make some comments about concerns that have been raised about me that have now made their way to the media about the appropriateness of me being appointed, as a Greens member, to the committee that oversees the Corruption and Crime Commission. I wanted an opportunity to respond to some of those comments.

I say from the outset I have no issue with anyone in this place at all and I thank particularly those members of the Liberal Party who have been very kind to me. I also acknowledge that this house undertook a very thorough process—it was certainly comprehensive—of trying to ensure that everybody was accommodated in nominations to committees. I note that we achieved a consensus outcome that was ultimately voted on. I am aware that it can be difficult in this place to accommodate such a large number of members who are not members of either the Australian Labor Party or the Liberal Party and so it poses a genuine challenge when we talk about the changed make-up of the way this house in particular now operates.

I want to respond to some particular points that have been made about me. I would like to make it very, very clear that I am not a member of the government and that the Greens have absolutely no arrangement with the government about power or anything at all. I thought that would have been self-evident by the way that we are undertaking the debates even in the short time that we have been in this place and that we are quite genuinely engaging in every single matter on its own terms. I will make a snide comment and say that if I am in government with the ALP, I would like to have an electorate office, please, and, on top of that, I expect to be made a minister and I am now putting in my dibs to be the Minister for Mental Health; Disability Services! However, as I am not a member of the government and I am part of one of the six parties that make up the opposition, I recognise that that is a wish that will not be granted any time soon. I want to make that very clear.

One of the things I am particularly concerned about is the suggestion or imputation, if you like, that has now been made in the media that I, as a member of the Greens, would somehow ever use a position on a committee such as the Joint Standing Committee on the Corruption and Crime Commission to side with members of government to somehow overlook issues of corruption. I say how offended I am by that, because the Greens pride themselves on trying to be absolutely diligent around issues of corruption and around inappropriate use of power.

It is one of the key issues that we talk about a lot. I personally try to hold myself worthy of being a member in this place who would never even consider engaging in that sort of conduct. I can say in all confidence when I look around this chamber that there are many people in this place about whom I would be confident that, despite political differences, they would never allow party allegiances to stand in the way of good governance and good oversight. I want to particularly refer to Hon Nick Goiran and Hon Adele Farina, who have both sat on that committee previously. I have absolutely every confidence that both those members applied the utmost level of diligence and integrity to that role, and I can say that, even though I am not a member of either the Labor Party or the Liberal Party, because I recognise that there are people in this place who are absolutely committed and able to rise above whatever allegiances may or may not be filled in order to exercise best judgement.

In any event, I am not a member of the government. I am really concerned about some of the things that have been said about me. I want to be really clear: in terms of where the final make-up goes, I do not care whether it is going to be one Green, two Liberal and one Labor, or one Green, one Liberal and two Labor. Either way, it does not affect the way I intend to operate and the scrutiny that I will bring to that committee. As far as I am concerned, it is really important that we are able to ensure that these sorts of committees are able to be open to parties other than just the Labor and Liberal Parties. That is obviously a view that was understood and shared by members in this place when they made the decision, and for that I am grateful to them for nominating me to be on that particular committee.

I hope this can be resolved and, as I say, I am not particularly wedded to any outcome in terms of what the final make-up of that committee will be. I want to be clear that I will not be resigning and I think it would be outrageous if anyone were to suggest that I would. I felt it was really important that I made it quite clear that I take great umbrage at any suggestion that I would side with anyone to try to stop corruption being exposed or, indeed, any of the important measures that are undertaken by this committee. I try to operate with the highest level of integrity. People can throw all sorts of accusations at me about all sorts of things; I get accused of being a bleeding heart all the time. The reality is that I do not think anyone who knows me could ever suggest that I would do anything improper and not in good faith.

I wanted to make those comments because, as I say, this is now subject to media interest and I felt it was important to make my views known.

JOINT STANDING COMMITTEE ON THE CORRUPTION AND CRIME COMMISSION — NOMINATIONS ABORIGINAL REGIONAL SERVICES REFORM UNIT

Statement

HON PETER COLLIER (North Metropolitan — Leader of the Opposition) [5.33 pm]: Before I make the comments on the issue I want to raise this evening, I would like to endorse the comments of Hon Alison Xamon. I want to make it quite clear that, from the perspective of this side of the house, we are supportive of her position on the Joint Standing Committee on the Corruption and Crime Commission. I have no question whatsoever with regard to her integrity and I think she will make a valuable contribution. I would like to emphasise that there were two nominations from the Legislative Council for that committee—one was from the Liberal Party, Hon Jim Chown, and the other was Hon Alison Xamon. They were the only two nominations for that committee. It was not contested and it was unanimously agreed to, so this whole house agrees with it. If there is an issue, it belongs in the other place. More often than not, they get it wrong, so the problem is certainly not at this end of the scale, I can assure her. She has our support.

I would like to make a comment on an issue that really concerned me yesterday. I will not be making many members' statements because I would like to give that opportunity to other members who perhaps have not been in this chamber for too long. I made an Address-in-Reply speech on Tuesday on a host of issues. One of those issues was the calibre of the responses to questions without notice that the opposition has received since the commencement of the new Parliament. That is an issue that we deal with all the time; we dealt with it when we were in government. I will raise some more issues when I give my response to the Loan Bill 2017 next week, but that is not the issue here. The issue is the response I received to a question I asked yesterday that I found quite personally insulting and highly offensive. It is unfortunate that the Minister for Regional Development is on urgent parliamentary business, but I hope she sees the comments I make today. The comments the honourable member made were false—completely and absolutely false. As a member of the opposition, it is incumbent upon me to keep the government under scrutiny and I intend to do that, and so does every other member on this side of the chamber.

In the lead-up to debate on the Loan Bill, I wanted to ask a question on an issue that is very significant to me with regard to the Aboriginal Regional Services Reform Unit, which I was instrumental in establishing. It was established to ensure that Aboriginal people in remote communities face a better quality of life in years to come than they have done for the last few decades. It is absolutely imperative, if we are to stem the tide of youth suicide and the parlous quality of life in those communities, that we do something about it.

With that in mind, the previous Liberal–National government established the Aboriginal Regional Services Reform Unit. The Aboriginal Regional Services Reform Unit was a response to a host of issues, not least of which was the Roebourne review, which I instituted as chair of the Aboriginal Affairs Cabinet Sub-Committee. Members will remember that I spent a considerable amount of time talking about the establishment of that subcommittee in my response to the Address-in-Reply. I wanted to ensure that, with the change of government, the Aboriginal Regional Services Reform Unit would be retained and fully funded. I am going to ask those questions and I am going to bring that up in my contribution to debate on the Loan Bill, and I am also going to ask more questions in budget estimates. Again, it is incumbent upon me to do that.

I asked two very simple questions. I asked whether the minister intended to retain the Aboriginal Regional Services Reform Unit, and secondly, whether the minister would provide a list of staff currently employed within the Aboriginal Regional Services Reform Unit; and, if not, why not. Those were not offensive questions; they were very simple questions that required a very simple response. The response to the first question was yes. The response to the second question was that the unit currently employed 25 staff under the leadership of Grahame Searle. The minister added that she did not believe it was appropriate to list the names of all the other staff members.

That is fine; I do not agree with it, and I will have some comments to make on it when I make my contribution to debate on the Loan Bill. But the preamble the minister made was the thing I found most offensive, and I will repeat it for members. I have to say that this was not part of the formal response; it was a preamble. I quote from the uncorrected daily *Hansard* —

This is a very important unit that was set up, as members might remember, after the disastrous attempts by the then Minister for Indigenous Affairs to close scores of Aboriginal communities without consultation with those communities. He was offered a bit of money by Mr Abbott, and, given the parlous state of the budget, he wanted to take that money upfront, no strings attached, and he subsequently announced that various communities would be closed down. However, fortunately, the National Party came in on its white horse with the Regional Services Reform Unit, which was operating out of the Department of Regional Development. We do acknowledge that the work that this unit does has been very, very effective. So it is our intention, of course, to preserve that unit. In fact, we will be going a bit further. Currently, the unit has funding in the budget for next year, and just a very small amount for the year after that.

That is absolutely false in every aspect, apart from the fact that the government is going to retain the unit. The accusations that the minister made against me are false. In her response she said —

... after the disastrous attempts by the then Minister for Indigenous Affairs —

She meant Minister for Aboriginal Affairs —

to close scores of Aboriginal communities without consultation with those communities.

That is wrong; it is absolutely false. As I said yesterday, we were never, ever going to close Aboriginal communities. I have never, ever once said anything about closing Aboriginal communities. I have been in fierce defence of Aboriginal communities and Aboriginal people. That is one strike down. It is completely false. The second point the minister made yesterday states —

He was offered a bit of money by Mr Abbott, and, given the parlous state of the budget, he wanted to take that money upfront, no strings attached ...

That is 100 per cent wrong. I do not know where the minister got that from. The money from the federal government, that \$90 million, was cut; we had to prop up that money. Again, that was a stimulus for the reform unit being established. The third point the minister made states —

... he subsequently announced that various communities would be closed down.

I challenge the minister to come into this chamber and find one shred of evidence, one comment, one speech, one media comment or media release in which I am quoted as saying that I was going to close communities, because that is absolutely false. The minister has not one shred of evidence to say that. Her flippant comments in question time are, quite frankly, unparliamentary.

She then referred to the National Party coming in on its white horse with the Regional Services Reform Unit and funding it. Yes, it did. As I said in my contribution to the Address-in-Reply debate, I chaired the committee. I was directly and principally responsible for the establishment of the reform unit. I take full responsibility for that. I chaired that committee that saw the establishment of that reform unit, including the funding from royalties for regions. I am sorry if I sound a bit emotional here, guys, but I find what the minister said yesterday highly

offensive, and it is wrong. If the minister does not believe me—she obviously does not, to make such a bizarre accusation yesterday—she might like to ask the Minister for Aboriginal Affairs, Hon Ben Wyatt, if she is right, because he will correct her. She might like to ask the Department of Aboriginal Affairs; it will correct her, because she is wrong. She might like to ask the advisers of the Department of Aboriginal Affairs and the minister's officers; they will confirm that I was directly responsible for the establishment of the reform unit. She might like to ask the chief of staff of the now Attorney General, who was a chief political writer for *The West Australian*, whom I took to the Kimberley region when we went to those communities before establishing the reform unit, and look at the story she wrote. That is what the minister needs to do.

For her to come into this place and make these flippant jibes and inaccurate assertions is, frankly, unparliamentary. Madam President, I find what she said yesterday not only personally offensive, but also it is unparliamentary. If the minister, on her return to this chamber, has a shred of humility, she will offer me an apology, because it is well deserved.

SUPPLY BILL 2017

Receipt and First Reading

Bill introduced, on motion by **Hon Stephen Dawson (Minister for Environment)**, and read a first time.

Second Reading

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Environment) [5.44 pm]: I move —

That the bill be now read a second time.

This bill seeks supply and appropriation from the consolidated account for recurrent and capital purposes during the 2017-18 financial year of \$12.187 billion, pending the passage of the consolidated account appropriation bills for the year ending 30 June 2018. Supply is an integral element of the Westminster system of government and successive state governments and Parliaments in Western Australia have accepted and understood that the intent of supply is to give authority for expenditure from the commencement of a new financial year pending the passage of the consolidated account appropriation bills.

Each year through the budget process, authority is granted to agencies to spend public funds through the passing of annual appropriation bills. The funding is supplied to agencies for services provided in the coming financial year. Usually, with a May budget, the appropriation bills are passed by the August sitting of Parliament at the latest, and supply is therefore provided to agencies for the coming financial year. Following the March 2017 state election, the 2017-18 budget will not be presented to the house until 7 September 2017. Although the Financial Management Act 2006 provides two months' automatic supply if the appropriation bills are not passed before the end of the financial year, it is anticipated that the 2017-18 budget will not complete its passage through Parliament until November 2017. As such, a standalone supply bill authorising supply for this period is required.

The September budget will allow time for ministers to look critically at each of their departments' finances. By considering all existing policies, each minister can then prioritise, with the aim of delivering programs more effectively and implementing new election commitments. To support the late timing of the budget, the Supply Bill 2017 provides for interim appropriations out of the consolidated account to fund the core activities of government agencies until the passage of the annual appropriation bills.

The \$12.187 billion amount in the Supply Bill 2017 is based on 50 per cent of appropriations approved by the Parliament for the 2016-17 financial year. These moneys may be issued and applied to the works, services and purposes for which the consolidated account will be appropriated for by Parliament, once the appropriation bills are passed post-budget, for the financial year ending 30 June 2018. The bill prescribes a general monetary limit on the drawings against the consolidated account. By so doing, it overcomes the problems that otherwise could arise by prescribing monetary limits on the individual appropriations that were detailed in the 2016-17 estimates of expenditure.

Pursuant to standing order 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to a bilateral or multilateral intergovernmental agreement to which the government or the state is a party. Nor does this bill, by reason of its subject matter, introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend this bill to the house.

[See paper 280.]

Debate adjourned, pursuant to standing orders.

House adjourned at 5.46 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

DEPARTMENT FOR CHILD PROTECTION AND FAMILY SUPPORT — STAFF WORKLOADS

1. Hon Nick Goiran to the Leader of the House representing the Minister for Child Protection:

I refer to the workloads of departmental staff and I ask, what are the:

- (a) number of full-time equivalents in each country and metropolitan district;
- (b) number of children in care allocated per district;
- (c) number of other cases allocated per district;
- (d) number of children in care on the monitored list, per district;
- (e) number of children who have been on the monitored list for greater than 90 days, per district;
- (f) number of staff carrying more than 15 cases; and
- (g) location of staff carrying more than 15 cases?

Hon Sue Ellery replied:

- (a) As at April 2017, the number of full-time equivalents in each district was:
 - East Kimberley — 28
 - Goldfields — 28
 - Great Southern — 25.80
 - Murchison — 31
 - Peel — 32
 - Pilbara — 36.55
 - South West — 42.72
 - West Kimberley — 32.50
 - Wheatbelt — 36
 - Armadale — 56.30
 - Cannington — 51.30
 - Fremantle — 43.70
 - Joondalup — 41
 - Midland — 54.40
 - Mirrabooka — 49
 - Perth — 44.87
 - Rockingham — 41.50
- (b) As at 8 April 2017, the number of children in care allocated per district was:
 - East Kimberley — 143
 - Goldfields — 150.5
 - Great Southern — 153.5
 - Murchison — 181.5
 - Peel — 217
 - Pilbara — 207
 - South West — 291
 - West Kimberley — 171.5
 - Wheatbelt — 231.5
 - Armadale — 421.5

Cannington — 390.5
Fremantle — 280
Joondalup — 302.5
Midland — 370.5
Mirrabooka — 325.5
Perth — 240
Rockingham — 241

(c) As at 8 April 2017, the number of other cases allocated per district was:

East Kimberley — 88
Goldfields — 69
Great Southern — 75
Murchison — 115
Peel — 95
Pilbara — 219
South West — 141
West Kimberley — 149
Wheatbelt — 106
Armadale — 135
Cannington — 177
Fremantle — 152
Joondalup — 122
Midland — 166
Mirrabooka — 108
Perth — 67
Rockingham — 148

(d) As at 8 April 2017, the number of children in care on the monitored list per district was:

East Kimberley — 15.5
Goldfields — 1
Great Southern — 40
Murchison — 64.5
Peel — 21.5
Pilbara — 9
South West — 16.5
West Kimberley — 2.5
Wheatbelt — 32.5
Armadale — 46
Cannington — 6
Fremantle — 3
Joondalup — 9
Midland — 9
Mirrabooka — 0
Perth — 19.5
Rockingham — 66.5

- (e) As at 8 April 2017, the number of children who have been on the monitored list for greater than 90 days, per district was:

East Kimberley — 1

Goldfields — 1

Great Southern — 1.5

Peel — 17.5

Pilbara — 3

Wheatbelt — 13

Armadale — 27

Cannington — 3

Fremantle — 2

Joondalup — 5

Perth — 3

Rockingham — 17

Cases on the monitored list are reviewed on a monthly basis by the Team Leader. Case management requirements, such as care planning and attending to other requests as they arise, are allocated by the Team Leader to a case manager on their team who has capacity to action those one off requests at that time.

- (f) As at 8 April 2017, the number of staff carrying more than 15 cases was 124.

- (g) As at 8 April 2017, the location of staff carrying more than 15 cases was:

East Kimberley — 4

Goldfields — 4

Great Southern — 5

Murchison — 10

Peel — 7

Pilbara — 11

South West — 7

West Kimberley — 2

Wheatbelt — 3

Armadale — 13

Cannington — 12

Fremantle — 7

Joondalup — 14

Midland — 8

Mirrabooka — 6

Perth — 2

Rockingham — 9

PREMIER — OUTDOOR ADVERTISEMENTS

2. **Hon Nick Goiran to the Leader of the House representing the Premier:**

- (1) How many outdoor advertisements were approved for display on government property for the calendar month of April 2017?
- (2) Will the Premier table a copy of each advertisement?
- (3) If no to (2), why not?

Hon Sue Ellery replied:

- (1) Out-of-Home (outdoor) advertising can include billboards, street, roads, highways, transit, and alternative advertising, for example:

Wall and stand-alone advertising boards/displays in shopping centres;

Transit advertising on back of taxis, buses, ferries and the like;

Digital advertising on freeways;

Advertising on bus shelters and train stations;

Roadside advertising on public, private;

Doctors surgery or other in-situ posters.

To source and provide the level of campaign advertising data requested for each government department and agency [including public non-financial corporations (PNFCs), formerly Government Trading Enterprises (GTEs)] for each booked and planned outdoor advertisement would be a major task, and the allocation of the significant resources required could not be justified.

If, however, the member has a specific question regarding a particular agency's advertising I would be prepared to consider the member's request.

- (2) (1) above refers.

- (3) (1) above refers.

TRANSPERTH — BUS ADVERTISEMENTS

3. Hon Nick Goiran to the minister representing the Minister for Transport:

- (1) How many advertisements were approved for display on Transperth buses for the calendar month of April 2017?

- (2) Further to (1), how many of these were displayed on the exterior of Transperth buses?

- (3) Further to (1), will the Minister table a copy of each advertisement?

- (4) If no to (3), why not?

- (5) If yes to (3), when?

Hon Stephen Dawson replied:

- (1) 45 advertisements were approved for display on Transperth buses in the month of April 2017.

- (2) 41 of the 45 advertisements were displayed on the exterior of a Transperth bus.

- (3) [See tabled paper no 279.]

- (4) Not Applicable

- (5) Not applicable.

CHILD PROTECTION — CHILDREN IN CARE

4. Hon Nick Goiran to the Leader of the House representing the Minister for Child Protection:

- (1) I refer to the number of children in the care of the Department for Child Protection and Family Support and I ask, what was the number on 11 March 2017?

- (2) Further to (1):

(a) what was the age of the youngest in care;

(b) what was the age of the oldest in care;

(c) what was the number of children who have been identified as having a potential claim for compensation (whether as against a third party or otherwise); and

(d) what was the number of children who have been identified as having a potential claim for compensation against the department?

- (3) What was the number on 11 May 2017?

- (4) Further to (3):

(a) what was the age of the youngest in care;

(b) what was the age of the oldest in care;

(c) what was the number of children who have been identified as having a potential claim for compensation (whether as against a third party or otherwise); and

(d) what was the number of children who have been identified as having a potential claim against the department?

Hon Sue Ellery replied:

- (1) On 1 March 2017 there were 4 722 children in the care of the Department for Child Protection and Family Support.
- (2)
 - (a) The youngest child in care on this day was nine days old.
 - (b) The oldest child in care had their 18th birthday three days after this date.
 - (c) As at 15 May 2017, the number of children under the age of 18 years identified with a potential criminal injury compensation claim is 430. These are primarily for injuries incurred prior to the children entering care.
 - (d) As at 15 May 2017, the number of children under the age of 18 years identified with a potential abuse in care claim is 38.
- (3) On 1 May 2017 there were 4 774 children in the care of the Department for Child Protection and Family Support.
- (4)
 - (a) The youngest child in care on this day was six days old.
 - (b) The oldest child in care had their 18th birthday two days after this date.
 - (c) 430 as above.
 - (d) 28 as above.

HEALTH — ABORTION

5. Hon Nick Goiran to the Parliamentary Secretary representing the Minister for Health:

- (1) For the calendar year, from 1 January 2016 to 31 December 2016, what was the number of:
 - (a) induced abortions;
 - (b) induced abortions over 12 weeks gestation;
 - (c) induced abortions for women under the age of 20;
 - (d) approvals given by the Ministerial Panel for abortions at 20 weeks gestation or later; and
 - (e) induced abortions at 20 weeks gestation or later?
- (2) I refer to the cases of babies who show signs of life after an abortion procedure, and I ask:
 - (a) what is the total number of these cases between 20 May 1998 and 31 December 2016;
 - (b) how many of these cases were induced abortions at 20 weeks gestation or later;
 - (c) how many of these cases were induced abortions at 23 weeks gestation or later; and
 - (d) in how many of these cases was medical intervention or resuscitation provided?
- (3) I refer to the Tabbott foundation which prescribes the RU486 abortion drug over the phone, and I ask:
 - (a) what data does the Department of Health maintain on the use of this service; and
 - (b) what oversight mechanisms is the Department of Health involved in or aware of for this service?
- (4) I refer to question on notice No. 4219 answered on 7 September 2016, which advised of changes in documentation processes and I ask, what were those changes?
- (5) How many abortions were approved at 20 weeks gestation or later with the justification for the abortion given as “Trisomy 21” between 1 January 2015 and 31 December 2016?
- (6) I refer to question on notice No. 4216 answered on 7 September 2016 and I ask, what method or methods of feticide were used?
- (7) In the 2016 calendar year, how many hospital admissions were there for conditions related to post medical abortion complications?
- (8) How many facilities perform medical abortions in Western Australia?
- (9) I refer to supplementary information No. A5, provided by the Department of Health to the Standing Committee on Estimates and Financial Operations, arising from the 2014–15 Annual Report Hearings, and I ask:
 - (a) when was the second annual report submitted by the Executive Director, Public Health in 2016; and
 - (b) when will the Minister table this report?

Hon Alanna Clohesy replied:

The Department of Health advises:

From 1 January 2016 to 31 December 2016:

- (1)
 - (a) 7839;
 - (b) 664;
 - (c) 631;
 - (d) 81; and
 - (e) 78.
- (2)
 - (a) As at 19 May 2017, a total of 27 cases of abortion procedures resulting in a live birth have been reported between July 1999 and December 2016.
 - (b) Of the cases in (2)(a), 21 were at 20 weeks gestation or later.
 - (c) Data not available.
 - (d) In Department of Health routine data collections, there is no record of medical intervention or resuscitation in these cases.
- (3)
 - (a) The Abortion Notification Form requires the name and address of the doctor performing the abortion.
 - (b) The Department of Health oversight mechanism is via the legislated data collections. Other oversight mechanisms are provided by Australian Health Practitioner Regulation Agency, and professional bodies.
- (4) The records documenting approval for abortion now include relevant clinical information.
- (5) Less than five. *
- (6) The Chair of the Panel does not keep documentation on the methods of feticide when panel approval is given. This is determined clinically by the specialists involved in the care of the woman. The usual method is ultrasound guided injection of potassium chloride into the fetal circulation. The other method, used in selective reduction of monochorionic twin pregnancy only, is fetoscopically directed cord occlusion.
- (7) In 2016, there were 99 hospital separations with post abortion complications.
- (8) There are 33 facilities that provide abortion services.
- (9)
 - (a) The confidential report 'Notification of induced abortions, 2014/15, Gestation 20 weeks or more' was provided by the Executive Director Public Health to the Minister for Health in August 2016, and a revised version was provided in November 2016.
 - (b) The report is confidential, contains medical information on 'Reason for Abortion', and will therefore not be tabled.

*Note due to patient confidentiality the response provided did not report figures less than five, in line with the Department of Health's *Guidelines for the Release of Data*.

POLICE STATIONS — EXTENDED HOURS

7. **Hon Martin Aldridge to the minister representing the Minister for Police:**

I refer to the *Mark McGowan – Fresh Ideas for WA* publication and in reference to “136. Extend the hours of operation at key police stations.”, and I ask:

- (a) which police stations in regional Western Australia can expect to receive extended hours of operation;
- (b) will this apply to hours of operation of the station, hours of operation for public access to the station, or both;
- (c) will extending hours of operation at police stations reduce front line delivery by police officers;
- (d) will additional police officers be employed to provide extended police station operating hours; and
- (e) if yes to (d), how will these police officers be funded?

Hon Stephen Dawson replied:

- (a)–(e) I refer the member to the press release by Hon. Mark McGowan headed “Police Stations to stay open longer under WA Labor” dated 2 January 2017 where he can find further detail with respect to this policy.

POLICE — REGIONAL ENFORCEMENT UNIT

8. Hon Martin Aldridge to the minister representing the Minister for Police:

I refer to the *Mark McGowan – Fresh Ideas for WA* publication and in reference to “153. Establish a Regional Enforcement Unit of WA Police to help reduce the road toll”, I ask:

- (a) when will the unit be established;
- (b) where will the unit be established;
- (c) will the unit be resourced by existing or new officers;
- (d) what will be the total full-time equivalent of the unit;
- (e) what will be the total cost of the unit;
- (f) how will the unit be funded; and
- (g) who will task the unit?

Hon Stephen Dawson replied:

- (a)–(g) Details of this initiative will be announced in the 2017–2018 State Budget.

PREMIER — ELECTION COMMITMENTS

11. Hon Martin Aldridge to the Leader of the House representing the Premier:

Will the Minister please provide in tabular format a complete list of election commitments by the Government including:

- (a) name and description;
- (b) location;
- (c) projected cost; and
- (d) delivery timeframe?

Hon Sue Ellery replied:

- (a)–(d) Election commitments are a matter of public record. Cabinet and the Expenditure Review Committee are responsible for making decisions in relation to funding and delivery timeframes.
-

