

Mr John Kobelke; Mr Troy Buswell; Acting Speaker; Mr John Bowler; Mr Murray Cowper; Mr Tony Simpson;
Dr Graham Jacobs

APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 5) 2006
APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 6) 2006

Cognate Debate - Motion

On motion by **Mr J.C. Kobelke (Leader of the House)**, resolved -

That leave be granted for the Appropriation (Consolidated Fund) Bill (No. 5) 2006 and the Appropriation (Consolidated Fund) Bill (No. 6) 2006 to be considered cognately, and for the Appropriation (Consolidated Fund) Bill (No. 5) 2006 to be declared the principal bill.

Second Reading - Cognate Debate

Resumed from 2 November 2006.

MR T. BUSWELL (Vasse - Deputy Leader of the Opposition) [10.42 am]: The Appropriation (Consolidated Fund) Bill (No. 5) 2006 and the Appropriation (Consolidated Fund) Bill (No. 6) 2006 are effectively technical appropriation bills that follow on essentially to cover moneys paid out of consolidated revenue under the Treasurer's advance account, which we have dealt with previously in this house. It is important to note at the start of my remarks that the Treasurer's advance authorisation account was effectively set up to cover expenses that were over and above appropriations in certain areas or for unforeseen expenses that arose. There are, of course, some technical issues associated historically with the use of the TAA, especially surrounding the definition of "extraordinary" or "unforeseen", and also the nature of the reporting. The significant delays in reporting expenditure made under the TAA through these appropriation bills have always concerned me. They sometimes occur a significant period after money has been expended. It was pleasing to work with the Treasurer on the passage through the house last year of the Financial Management Bill. He gave an indication then that more frequent reporting would be provided on moneys expended by the government under the Treasurer's advance account. That is a good step forward for accountability. However, it is interesting to understand some of the details of these appropriation bills. The total sum of the two bills this year is \$332 million. Last year when we sat in this place and passed these bills, the total amount was \$672 million.

I am always interested to read about what happened when the Labor Party was elected to government in this state in 2001. The Treasurer, of course, would not have been the Treasurer at that time. However, the Labor Party at the 2001 election had a policy called "getting value for money" and essentially it was the party's financial management policy. That policy commented on the Treasurer's advance account at that time, and I will read it into *Hansard*, as it makes interesting reading and is an interesting guide by which to measure the performance of the government in subsequent years. It said -

The Court Government has increasingly used the Treasurer's Advance Account as a means to "top up" funding for the financial year.

This fund was designed to be used only in "urgent and unforeseen" circumstances. Under the Court Government, Ministers have used this fund extensively for a range of purposes.

It goes on -

Labor will overhaul the . . . Treasurer's Advance Account . . . and in particular will:

. . .

- halve the annual allocation from \$300 million to \$150 million.

The target of this government when it was elected in 2001 was therefore to spend only \$150 million from the Treasurer's advance account. Guess what? Like a lot of financial promises contained in that document, that target never came to fruition. As I said, last year the appropriation from the Treasurer's advance account was \$672 million and this year it is \$332 million. Every time I speak on Treasury matters I will highlight some of the promises on financial management made by this government to the people of this state in 2001, because none of those promises has been kept.

Mr M.P. Whitely interjected.

Mr T. BUSWELL: It is very interesting. I have only 57 minutes and I am sure in that period the opposition will be able to highlight a number of failings by the government in its financial management of the state.

Mr J.N. Hyde: Just look at the economic growth; it is double the rest of Australia. You can't discount that.

Mr T. BUSWELL: I know. I will tell the member for Perth about economic growth in the state. When he talks about economic growth, is he talking about growth in gross state product or state final demand? Which measure does the member for Perth use? He is a worldly person.

Extract from Hansard

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Mr J.N. Hyde: I use all of them. We look at all of them, and they are beautiful sets of numbers; all of them.

Mr T. BUSWELL: The member for Perth knows nothing about either of them.

It has been interesting to note that the economic growth of Western Australia has been generated, particularly in the preceding two years, by investment in the mining industry. To the best of my knowledge, investment in the mining industry has been impacted upon negatively by the policies of this government. We can therefore only imagine the extent of the economic growth had the approvals process in the state been a little better to encourage foreign investment in Western Australia, in particular in the mining industry. A lot of opportunities have been squandered by this government's policies on investment. The investment cycle is tailing off. Economic growth in the next couple of years will now be driven by export earnings as investment projects come online. We have all heard reports about imports and exports, and that is a good thing for the long-term economy. However, the point I am making is that the specific policies of this government have had almost no impact on the aggregate economic performance of Western Australia.

Mr J.N. Hyde: Rubbish! Who cut the hiring tax? Who cut the bus-building tax?

The ACTING SPEAKER (Mr M.J. Cowper): I am sure that the member for Perth would like to participate in this argument.

Mr T. BUSWELL: I want to raise a number of points; however, I am sure removal of the hiring tax made a big difference to economic growth! Hiring tax was the tax people paid when they hired an outfit from a party hire shop. The member for Perth may not need to hire his outfits; he may have some already stored away. However, as one who does not engage in such colourful costuming, I am not aware that removal of the hiring tax led to a rush of foreign investment in the resource sector. I cannot imagine that the managers of Rio Tinto's head office in London said, "Thank God, the Western Australian government has got rid of the hiring tax. We don't have to pay hiring tax when we hire a clown outfit for the fancy dress party. Let's invest \$5 billion." What a ridiculous statement for the member to make.

It was interesting to listen last week to the comments of the member for Peel. I appreciated his comments on what he had observed in his first week in this place. He is right. A lot of the things we engage in in this place - the theatre of the Parliament - do not make a positive contribution to the development of good public policy in this state. He made a valid statement. As almost a new member of Parliament, I also struggle with the need to look at good public policy development. The reason we came into this place is to make a positive contribution. The member for Peel will discover over the next couple of years that political excitement overcomes these matters. To use a military vernacular, occasionally one does suffer from enemy fire in this place. Another thing the member for Peel will find is that occasionally one does suffer from friendly fire in this place. That happens on both sides; it is part of the process.

Last week the member for Peel spoke about land tax and said that when he went around his electorate no-one was interested in land tax. I was interested to know that, and I will come to land tax shortly. The member may be interested to know that the rental paid on a four-bedroom house in Port Kennedy has increased in the past two years from \$195 a week to \$251, a 30 per cent increase. The forecast is for another 30 per cent increase in rents across this state. Members must understand that every property that is rented out is levied land tax. Land tax feeds into rentals. It is a basic fundamental fact that when property owners get their land tax bill, inevitably they will put up rents. The facts of the matter are that the residents of Peel pay land tax, particularly those who are caught in the rental end of the market, because they cannot afford to get into property ownership.

Another interesting thing that has happened in Port Kennedy - I know, because I spent time there handing out how-to-vote cards on polling day - is the increase in the median house price from \$236 000 to \$375 000, an increase of 57 per cent. In the same time frame, on the same house, the stamp duty it attracts has increased from \$7 600 to \$14 200, an increase of 90 per cent. I will talk about land tax and stamp duty later, but these issues affect ordinary Western Australians irrespective of which electorate they live in.

I want to look at some broader issues.

Mr J.N. Hyde: What about the threshold?

The ACTING SPEAKER (Mr M.J. Cowper): I understand the member for Perth likes to interject. Clearly, he has already demonstrated his understanding of this topic. If he wants to continue, I will have to call him to order.

Mr T. BUSWELL: My son is in year 6 studying economics and I suspect he may be able to impart some knowledge to the member for Perth. I may arrange a brief meeting for them. I hasten to add that it would be brief because I would hate my year 6 son to strain the cranial absorption capacity of the member for Perth through a very long conversation.

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Mr J.C. Kobelke: Sounds like you are seeking interjections.

Mr T. BUSWELL: I beg your pardon.

There was a very interesting show on television last week on C.Y. O'Connor. In part, it reflected the level of capital investment that was made in this state in the 1890s. It is a truism that at the moment Western Australia is enjoying one of the most sustained periods of economic growth, personal wealth creation and population growth in its history. If members cast their mind back through the history of this state, I suggest they would have to go back to almost the 1890s to find a similar period of economic growth and wealth development in this state. It was in the context of the 1890s that C.Y. O'Connor and Sir John Forrest launched into a tremendous period of infrastructure development which took this state forward well into the twentieth century. I compare that with what this government is doing now with its unique economic opportunity to position our state to grow and develop into the twenty-first century. It pales in significance compared with the use of the good economic conditions that occurred in this state in the 1890s. There is absolutely no doubt that Western Australia is in this once in a century boom in which we have good economic conditions. Members should look at how these conditions were used in the 1890s to position Western Australia's growth in the twentieth century. Look at what is happening now and where we are headed as a state. It pales in significance with what occurred in the 1890s. The member for Peel talks about public policy development, but we need to do a lot of things in broad policy development.

I will talk shortly about tax and government expenditure - topics which excite many members of the house, as I see by the number of members in this place. We must look at some serious areas of public policy development, in my humble view. Firstly, we must look at making Western Australia a can-do state; a state where businesses, investors and households can get on with things in a well-governed, well-managed environment. Secondly, we must focus on making sure that we can attract and maintain a suitable workforce to drive this state forward into the twenty-first century. The incapacity of Western Australia to attract and maintain a workforce is the single biggest factor that will inhibit us leveraging off the boom times that we are currently enjoying and growing consistently into the twenty-first century. Associated with that is the issue of housing affordability. Western Australia, Perth in particular, is now Australia's most expensive capital city in which to live. It is an embarrassing crown to have placed on this state. Why is it so expensive? It is because property prices have increased dramatically. Why has that occurred? It is because there has been a failure to ensure adequate delivery of land supply in a state with a larger land mass than almost any other jurisdiction in a democratic environment that one can think of.

The third area we must focus on in public policy development is families. We must make sure that Western Australia is a place where families can develop, grow, mature and develop aspirations for themselves and, through hard work, get on and achieve those aspirations. For a state government, that often relates to core service delivery - education, health and the like. The government must make sure that young Western Australians, through our education system, can rise up and take their place as members of an international community. The fourth public policy area we must turn our attention to is efficiency and effectiveness in the delivery of core government services by making sure that they are delivered with focus on value for money within the context of a low taxing state environment. Finally, members on both sides of Parliament must make sure that, through public policy development, this state is a place in which the businesses that do business here, the people who live here and the public institutions in this state can contribute in a positive way to the global environment. If we focus on those five overarching principles, we will be able to move Western Australia forward and position this state to grow on the boom.

I come back to the nub of the question before the house; that is, the appropriation bills. I will refer quickly to government expenditure. There is absolutely no doubt that since 2001 there has been an explosion in recurrent government expenditure in Western Australia. In 2001, recurrent government expenditure in the general government sector in this state was \$10.4 billion. That had grown to the end of the 2005-06 financial year to \$13.9 billion. The figure this financial year is expected to reach \$15.4 billion. In other words, in the past five or six years the size of the public sector as measured by recurrent government expenditure has increased by 50 per cent. In the past year alone we had a \$1.5 billion increase in recurrent government expenditure in this state. In other words, we are heading for a 10.7 per cent increase in recurrent government expenditure in one year. It is very interesting.

We need to put that in context, and to do that I will use a key performance indicator, because the government is focused on KPIs. When the government was elected in 2001 it set a financial management goal in government expenditure and that has been repeated every year in the government budget papers, but it has not been achieved. Its financial management goal was to cap the rate of growth of recurrent government expenditure at a real per capita growth rate. In other words, the rate of growth of population is added to the consumer price index and the

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result is a percentage figure. That should be the cap which sets an upper limit for the growth in recurrent government expenditure.

It was in last year's budget and it was in the budget of the year before, but it has never been met. If we track back to 2001 and look at where government expenditure would be today if that cap had been met every year, the government would have spent in aggregate \$4.2 billion less than it has; that is, if it had kept to its own performance target on expenditure. To the best of my knowledge, \$4.2 billion is a reasonable sum of money, which could have been put to a range of uses in this state other than recurrent expenditure. It could have been used for taxation reform, the provision of infrastructure and the like. It is very interesting to drill down into current expenditure growth and ask where the money has gone. It is quite clear that the driver of the increase in recurrent expenditure in this state has been an explosion in the size of the public service. Consider the following figures. Between March 2001 and June 2006 the size of the public service increased by 14 000 full-time equivalents, excluding all the contractors, consultants and third parties who the government keeps at arm's length from its payroll and hides from proper scrutiny. We do not know the exact expenditure on people in government departments; that is, whether they are direct employees, consultants, contractors or the like. However, we know that the FTE numbers have gone through the roof. The Treasurer often says to me that that is great because it is reflected in an increase in the number of teachers, police officers and nurses. We are starting to ask questions about what is happening about teachers, police officers and nurses, because it is not so. The Treasurer's picture is blurry. I will give the house some examples. I am dealing just with the period from June 2005 to June 2006 in the three portfolios of health, education and police. Different ministers provided the information through questions on notice. Between 2005 and 2006 the FTE headcount in health increased by 642 people; that is, an additional 642 people were employed. The number of nurses went down by 103. For every nurse who left the health system seven extra people entered the health system. That is an interesting analysis. In education the headcount increased by 1 544 yet the number of teachers increased by only about 530. For every additional teacher who went into a classroom two other people went into the education department. Fortunately, in the portfolio of police the performance was a lot better. I think that reflects in part the Frontline First philosophy, which may one day result in additional police officers on the beat. For an increase in the headcount of 197 there was an increase in police officers - according to the figures I have been provided with - of 120. There was a much better performance in the police department but certainly not in the other agencies.

Mr J.C. Kobelke: We made a commitment to provide public servants so that they could do some of the desk jobs and police who were doing desk jobs could go to the front-line. There is no negative in having non-police officers employed as part of that program.

Mr T. BUSWELL: I am not making any negative comments about the police at all. In fact, I have said that before in this place. However, the aggregate figures in health and education debunk the argument that is often put by the Treasurer when I talk about the rate of growth in the public service, in which he says that they are all on the front-line delivering services. That is the argument the Treasurer often raises. Last year I had a very interesting meeting with one of the public sector unions. I showed them these figures. They asked me why I talked about the rate of growth in the public sector. I showed them the FTE figures across every department. They told me that their department had had a headcount freeze for years. That department was a core service provider. If my recollection is correct, it was in the Department for Community Development. They said that they had not seen one of those extra people at the coalface delivering better services. That is the argument; it is all about efficiency of service. There has been a huge explosion in recurrent government expenditure driven by a dramatic increase in the public sector wages bill when there has been no discernible increase in the level of service provided to the public of this state as a result of that. If we went to the suburbs and visited a school and said that public sector spending has increased by 50 per cent, which is well over the rate of inflation and population growth, and asked people whether they had seen that sort of improvement in service delivery in the school they would say no. Do we see it in the hospitals? No. There is a fundamental breakdown in the delivery of services and the provision to the taxpayers of this state of value for money. I highlight the general public sector wage bill, which has increased by almost \$2.3 billion over the past five years. That is almost a 50 per cent increase.

Mr M.P. Whitely: Didn't you increase rates in Busselton by 15 per cent one year?

Mr T. BUSWELL: Go back to your John Travolta videos! Go to Perth airport, wait for the private jet, jump on and go over. He is a pilot; he will take you over. The member can go to his parties with John Travolta and Tom Cruise. He might even show them his investment property in Bassendean - the one he is trying to cook the value on. Anyway, we will move on.

Withdrawal of Remark

Mr R.C. KUCERA: The member for Vasse knows the rules very well. He is accusing a member of this house of impropriety - illegality even, if his comment is to be taken literally - and I suggest that he withdraw it.

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The ACTING SPEAKER (Mr M.J. Cowper): When a member interjects in the manner that just happened there is usually a retort. It is a consequence of an action that creates a reaction. If the member finds that reference to cooking the value of the books is offensive, I call upon the Deputy Leader of the Opposition to withdraw that comment. Members should be warned that if they interject they should expect a retort of that kind.

Mr M.P. WHITELY: The comment that the member made is either out of order or it is not.

The ACTING SPEAKER: Please sit down, member! I have ruled. The member for Vasse has the call.

Debate Resumed

Mr T. BUSWELL: Thank you, Mr Acting Speaker. Maybe I should explain for the benefit of the house what I was referring to. It is a little property that the member for Bassendean owns in Rosetta Street, Bassendean. It is near the foreshore.

Mr M.P. Whitely: It is 700 metres from the foreshore.

Mr T. BUSWELL: Yes, just around the corner. I will show the member a map. On a number of occasions the member has made representations to try to have the foreshore in the vicinity of his home opened up to public access.

Ms J.A. Radisich: Saying that is outrageous.

Mr T. BUSWELL: That is what he has done; I did not make this up. He has come in here and made representations to the minister and asked whether the foreshore could be opened up. He did not tell the minister that he has a property just around the corner. That is all I was referring to. I said that it might enhance the value of the property. I believe that if a property valuer went out to Rosetta Street in Bassendean and looked at the property, and if I asked that if the property had uninhibited access to the foreshore would the value go up, what do members reckon he would tell me? "Yes!" What would the owners in Rosetta Street say? "You beauty!"

Several members interjected.

The ACTING SPEAKER (Mrs J. Hughes): Order, members! The previous Acting Speaker has made a ruling. Members should conform with the ruling. We must get on with the matter at hand.

Mr T. BUSWELL: Thank you -

Mr M.P. Whitely: You little south west blowie -

The ACTING SPEAKER: Order! Thank you, member for Bassendean.

Mr M.P. Whitely interjected.

The ACTING SPEAKER: Order! Member for Bassendean, I will not ask again.

Mr T. BUSWELL: I sometimes wonder in this house why some members need the help of their federal colleagues to get preselected. One federal colleague will no longer be a senator next time. I wonder who will help them when preselection comes around? It will be determined in the fullness of time.

Mr M.P. Whitely: Noel Crichton-Browne -

The ACTING SPEAKER: Order, member for Bassendean!

Several members interjected.

Mr T. BUSWELL: I will turn to the matter of taxation.

Ms J.A. Radisich: Bring back Bernie Masters!

The ACTING SPEAKER: Order, members!

Mr T. BUSWELL: Thank you, Madam Speaker. I am wilting before the intellectual storm from the member for Bassendean. He is the only member of the government who nobody wants to share an office with - the property mogul from Bassendean! The best thing that John Travolta -

The ACTING SPEAKER: Order! Member for Vasse. Before the house is the Appropriation (Consolidated Fund) Bill (No. 5) 2006. The member is drawing comment from the other side of the house. I ask the member to speak to the order of the day.

Withdrawal of Remark

Mr J.J.M. BOWLER: The Deputy Leader of the Opposition was directed by the previous Acting Speaker to withdraw the remarks he made, but he still has not done so.

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The ACTING SPEAKER (Mrs J. Hughes): Has the member for Vasse withdrawn those remarks, as directed?

Mr T. BUSWELL: My recollection of the direction from the Chair was that if I was of the opinion that my comments could have been interpreted as offensive, I should withdraw them. I am not of that opinion.

The ACTING SPEAKER: I did not hear the comments. The Clerk informs me that it was the Chair's intention that the member for Vasse would withdraw his comments if he felt that, in his opinion, his comments were offensive. I advise the member to be very careful about some of the comments he is making.

Debate Resumed

Mr T. BUSWELL: I will soldier on under this tirade of abuse as I talk about taxation. Taxation reform is a key matter confronting this government.

Mr R.C. Kucera: Your day will come.

Mr T. BUSWELL: The member for Yokine has said that before.

When I talk about taxation reform, the Treasurer often says that the same dollar cannot be spent twice. He said it just the other day when he prepared to board the plane and do battle with the nasty federal government in Canberra. I told him that I believe that the allocation of federal funds is an important and serious issue. The federal fiscal arrangements in this country need to be reformed. The Treasurer's comments to that extent are accurate. He asked me whether I would support him. I told him that I would if I felt that he had any credibility on taxation reform, but he does not. He will be exposed for that as part of this process of taxation reform based around the state tax review. If I felt that the Treasurer were genuine about taxation reform, I would help in whatever way possible. The system of financial arrangements that exist under the Federation today will not work in the best interests of this state in the long run. That is a fact. They have to change. We collectively have a responsibility to lobby for change in a way that better looks after the interests of this state. That is not an argument from me or from the Treasurer; it is an underlying issue. I find it difficult to argue with a person who has no commitment to taxation reform and who has subjected the people of this state to the most oppressive state-based taxation regime that has ever been seen in the history of Australia.

I will touch on three measures of taxation competitiveness that are generally bandied around. When the government was elected in 2001, it spoke about taxation per capita. It said over and again that it would maintain or improve Western Australia's position of tax competitiveness as measured by taxation per capita. Taxation per capita is the aggregate of taxes divided by the population. In 2001 Western Australia was Australia's third most competitive state in terms of taxation per capita. A range of figures inform us on taxation per capita. I will quote some figures produced recently by the Commonwealth Grants Commission. If members ever wanted an argument about why the financial relationships in the context of Federation must be changed in this state and members want some stimulation, they should read the information on the Commonwealth Grants Commission's website. It would put a hyperexcited five-year-old to sleep. It is incredibly dull. However, there was an interesting chapter towards the end on total state taxation per capita. In 2001, according to its figures, the Western Australian government collected on behalf of every man, woman and child in this state, \$1 439 per capita. To put that in context, the taxation rate in Queensland, which was the lowest taxed state at that time, was \$240 less than ours. We paid \$240 more than Queenslanders in terms of taxation per capita, and Western Australia was the third lowest taxing state. By the end of last year, after a 73 per cent increase in taxation per capita, Western Australia had assumed the mantle of Australia's highest taxing state. The taxation per capita measure now for this state is \$2 484. That means that the Western Australian government collects \$734 more in taxes on behalf of every man, woman and child in this state compared with the amount paid in Queensland. That is an outrageous position to be in. Taxation competitiveness per capita has disappeared in Western Australia and we wear the crown of being Australia's highest taxing state. What did the government do in response to that? It did not worry about taxation reform; it changed the measure. Some time in the past 18 months it said it would not use the taxation per capita measure any more because it is not working. The reason it is not working is there is a huge flood of tax revenues into the government's coffers, mainly from the property sector. The government decided that the figures were looking terrible and so it changed the economic measure to another measure, which is called tax as a percentage of gross state product. Of course, that enables the government to mask the effect of increasing taxes in the context of economic growth. Notwithstanding that, let us look at taxation as a percentage of gross state product. Since the government came to power in 2001-02, taxation per capita in Western Australia has increased from 3.71 per cent to 4.29 per cent. That is an increase of 15 per cent in taxation per capita in this state. What has happened in the rest of Australia? The weighted average of all the other states has decreased from 4.64 per cent to 4.5 per cent. That is a fall of three per cent. My source for this data is economic analysis conducted by the Chamber of Commerce and Industry of Western Australia. Let us leave taxation per capita, because we have failed on taxation per capita. Let us move on to taxation as a percentage of GSP. Again we

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have failed. Western Australia has increased taxation as a percentage of GSP by 15 per cent and the rest of Australia has gone down three per cent. We have failed on taxation as a percentage of GSP.

Another measure that the Commonwealth Grants Commission produces is called a taxation effort measure. It measures taxation effort and it measures taxation capacity. Taxation capacity is the size of the golden goose and taxation effort is how hard it is squeezed and how much tax is wrung out of the tax base. Let us look at what happened to taxation effort in Western Australia. The taxation effort in Western Australia has increased over the past five years at almost eight times the rate of increase of taxation effort in Queensland and New South Wales, while Victoria and Tasmania have enjoyed a decrease in taxation effort. This government is squeezing the goose. It is squeezing the taxpayers of this state like they have never been squeezed before. Whichever of the three measures is used to assess taxation competitiveness, it can be seen that we have failed dismally. One of the great tragedies to come out of this economic boom is that the legacy to the future of this state from this government is the most uncompetitive state-based taxation regime in Australia. That is a disgraceful state of affairs. We should be positioning ourselves as a low-taxing state where people want to come and invest and where householders can get on with their lives and are not punished by paying a higher rate of tax than the taxpayers in Queensland. There is no rationale for why we should be paying more in taxation than other Australians. I have long held the view that the long-term goal of taxation reform in this state should be to position Western Australia as Australia's most competitive state-based taxing regime. We do not do that. We just change measures to try to hide our failing performance.

I will quickly talk about the aggregate tax take. In 2001, this state collected \$2.9 billion in taxation revenue. The mid-year review that was conducted towards the end of last year indicates that at the end of 2006-07 - the current financial year - the taxation take will be in the vicinity of \$5.5 billion. That is an increase across that time of \$2.6 billion in total state taxes, or 90 per cent. As I said earlier, in the corresponding time since 2001, has the provision of services of this state improved by 90 per cent? I do not think anyone would suggest they have. Has the provision of core public infrastructure improved by 90 per cent? No. Has the provision of public economic infrastructure in this state improved by 90 per cent? No.

Mr J.C. Kobelke: What is your measure for the rejection of the improvement in services?

Mr T. BUSWELL: I am using my anecdotal observations, and the surveys that the government does of people's views about the quality of services being provided. They have not changed by that much; not in a pink fit. The minister knows that, and I know that.

Mr J.C. Kobelke: I know things have improved drastically, and objective measures will show that - smaller class sizes and much smaller surgery waiting lists in hospitals. The range of objective measures shows a vast improvement in services.

Mr T. BUSWELL: Every person in Western Australia knows that things have not improved.

I want to point out another interesting issue; that is, what was promised in this year's budget in the area of taxes. In 2005-06 the state government collected \$5.2 billion in taxation revenue. The budget speech said that taxes would be cut; that \$5.1 billion in taxation would be collected. That happened last May, when the Treasurer said that there would be all these benefits from the boom, including cuts in land taxes and other things. Guess what has happened? The midyear review has said that tax collections will now be \$5.5 billion. Again, the government cannot predict the final tax outcome with any accuracy. We had this debate last year and we will have it again leading up to the budget this year. The capacity of the government to predict what it will earn in tax revenue and what it will spend is a major issue. If the predictions were more accurate, the government would better understand its capacity to absorb taxation relief in a range of areas.

I will very quickly touch on some of the major state taxes, which are payroll tax, stamp duty on conveyancing and transfers, land tax and stamp duty on motor vehicles. Payroll tax revenue is estimated to increase by the end of this year from \$832 million in 2001 to \$1.635 billion. That is an increase of \$803 million, or 96 per cent. It is little wonder that the business community is almost begging the government for payroll tax relief at every opportunity. Stamp duty revenue has increased from \$550 million to \$1.9 billion. That is an increase of \$1.357 billion - only 250 per cent - paid for by the people of this state every time they buy properties. We know that stamp duty has a major impact on the property sector, in particular on first home buyers. First home buyers need relief from stamp duty. We have had debates in this house about this many times. Last year the opposition brought in a private member's bill through which the government could have provided stamp duty relief for first home buyers up to the median house price.

A young couple entering the home market for the first time, chasing their dream and trying to fulfil their aspiration of homeownership for themselves and their family, go out and buy their first home. They buy it at the median house price. Instead of leaving the settlement office all happy, they go around the corner and bump into

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the Treasurer, who says, "Congratulations, struggling first home buyers, on overcoming this huge hurdle presented by the massive increase in housing prices. Congratulations on buying your first home at the median house price. Here is a bill for \$19 000. Please write me a cheque, and I will let you go in through the front door." That is what the Treasurer does, but what happens in other states? In Queensland, if my recollection of the election campaign there is accurate, on the Brisbane median house price at the time, a first home buyer pays no stamp duty. The government there has made a conscious decision to give that money back as a concession. We do not do that in Western Australia. There is a concession for first home buyers, but it is sadly lacking. I think the Treasurer will increase the concession in the next budget. He has as good as said that is what he will do. I have no idea why he did not introduce the concession when he said he would do so. He has spooked thousands of people out of the property market in this state. That was a grossly irresponsible statement for the Treasurer to make. If he talks about providing tax relief to the sectors that are sensitive, he needs to do it when he says he will do it, not foreshadow it. Watch what will happen to first home buyer activity in the Perth property market in the first half of this year. It will die.

People ask why I am fixated with increases in stamp duty; it has gone up in line with increases in house prices. That is a reasonable argument, but let us have a look. In 2001 the Perth median house price was \$172 000. It is now \$450 000. In 2001 a buyer paid \$4 800 in stamp duty, and now it is about \$19 000. In other words, the median house price has increased by 160 per cent in five or six years, while stamp duty has increased by almost 300 per cent. The rate of growth in stamp duty is far outstripping the rate of growth in median house prices. In 2001 stamp duty comprised 2.79 per cent of the median house price; today it is nearly 4.1 per cent of the median house price. An unfair burden has been placed on the property sector in this state. I will explain what happens when people get hit with a stamp duty bill. Last year, \$2 billion in stamp duty was collected in Western Australia. By and large, home buyers have to borrow more money. The young first home buyer must go to a mortgage provider and ask for another \$19 000 to meet the stamp duty commitment. That borrowed money is then transferred to this government, which uses it. In a way, an explosion in private sector debt is paying for recurrent expenditure growth by the government. That is not acceptable at all.

We carried out an analysis based on people who bought houses at the median house price in 2001 and borrowed 90 per cent of the value of property at prevailing rates of interest, compared with the situation now. If they had a full exemption from stamp duty at the median house price, they would today be paying \$125 a month less in debt servicing than they otherwise would. That is a substantial amount for struggling families in this state. It equates across the life of a 30-year loan to \$45 000. This is the debt impost that the government's stamp duty regime is placing in particular on the first home buyers in this state. It is outrageous. It is more outrageous to think that the Treasurer will change that in the May budget. He could have done it a year ago. The opposition gave him an opportunity, through a bill introduced into this house late last year, and he just thumbed his nose at it. That was incredibly irresponsible. The thousands of people who have had to struggle to pay that stamp duty in the intervening period have every right to be incredibly angry at the actions of the Treasurer in greedily trying to absorb as much of that stamp duty income as he could before it became too politically difficult for him not to act.

The last area of taxation I will touch on is land tax, which has also increased dramatically in the past few years, particularly in the past year. It has gone up from \$220 million in 2001 to \$391 million, an increase of \$171 million in aggregate. Land tax aggregate collections are estimated to increase from \$313 million to \$391 million by the end of this year. That is a \$78 million increase in land tax in one year. It is way above what the Treasurer estimated at the start of the year. That is why hundreds of people have been complaining about their land tax bill. I am sympathetic to their calls for land tax relief. Land tax has some serious implications. People often have the view that land tax is paid only by the wealthier members of our community who invest in property, but that is quite simply not the case. Hundreds of ordinary Western Australians have chosen to create wealth for their future economic security through investing in the property sector. It is a traditional form of investment in this state. They are now being hit and hit again with land tax bills. It is having an impact on a range of investors in this state, not just on people at the upper end of the market from higher socioeconomic groups. What else does land tax do? It flows on into rents, as I indicated before in discussing the situation in Port Kennedy. Inevitably, investors in residential properties attempt to recoup increases in land tax by increasing rents. Landlords have rung me and said that they are in distress because they have to go to their tenants - good tenants whom they may have had in their houses for 10 or 15 years - and put the rent up because they cannot afford the land tax.

I have said to those landlords that they should show their tenants their land tax bill, and a photo of Eric Ripper, so that their tenants will understand clearly why those landlords are being forced to increase the rent. Increases in land tax have a significant impact on rents. Members opposite can jump up and down all they like about letting fees, and blame someone else for the problem. I find that incredibly hypocritical. The Minister for Employment Protection decided, without any consultation with the industry, that the government would abolish letting fees.

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Ms M.M. Quirk: Western Australia is the only state in Australia that has letting fees.

Mr T. BUSWELL: Those letting fees will be recouped elsewhere. The consumers will end up paying for that, because it will be passed on through rent increases. It is hypocritical of this government to say that the abolition of letting fees will solve the problem, when it is not willing to do anything about land tax. That is a very inconsistent argument to put. It is similar to what happened last year. Last year, when property prices were going up, the government blamed the Real Estate Institute of Western Australia and real estate agents. It blamed real estate agents, who are charging fees to lawfully go about their business, for the problems that were being faced by struggling homebuyers in Western Australia. This year, when rents are going up, the government is again blaming real estate agents. This problem is far more complex than that. If the government were serious about rent relief, it would do something about the land tax regime, because it is killing people. I can give examples of situations in which the rental income on properties, admittedly pretty average properties on fairly good pieces of land -

Mr R.C. Kucera interjected.

Mr T. BUSWELL: It is everyone's responsibility. REIWA has never denied that. It is hypocritical of the government to blame one sector while it is raking in an extra \$70 million in land tax. I can give members examples of situations in which the rental income received by landlords has been less than the land tax bill. That is ridiculous. What will those landlords do about that? They will sell their rental properties. Those rental properties will then go out of the rental pool, and the supply of rental properties will go down. If the supply of rental properties goes down, but the demand is strong, rents will increase.

Mr G.M. Castrilli: The consequence is that housing will become even more unaffordable.

Mr T. BUSWELL: Yes. The rental crisis that this state will face in the next 12 months is the second wave of the property crisis. As sure as day follows night, rents will increase to follow the increase in property prices. Historically, rental returns have comprised about five per cent of the gross return on the value of the property. That means that an increase in rents will inevitably follow. That will create a huge social issue in this state, because those rent increases will impact on those people who are excluded, because of capital growth, from becoming a homeowner in Western Australia. I foresee difficult times ahead for a range of Western Australians. Housing affordability is one issue that we need to grapple with collectively in this state in terms of public policy. We need look only at what is happening to Homeswest waiting lists. All members would know about this, because people come to see us about this matter. People are in crisis. People are becoming desperate. Homeswest waiting lists are increasing dramatically. They will continue to increase dramatically. The answer is not just to increase the public housing stock. We need to take a broader and holistic approach to housing affordability in this state.

Tax reform in Western Australia is needed urgently. This state is becoming uncompetitive. That lack of competitiveness may not have a significant impact on people during buoyant economic times. However, it will have a significant impact when the economy comes off the boil. An increasing number of reports are indicating that the rate of growth in our economy is beginning to slow. Investment is already slowing in the mining and construction industries. As the rate of growth in the economy begins to slow, competitiveness will become a significant issue. One reason that taxation reform is needed urgently is that the people of Western Australia deserve some protection from the uncompetitive taxation regime that has been imposed by this government. There is no justification for imposing upon the people of this state higher taxes than are paid by other Australians. This government has the capacity to provide tax relief. This government is heading towards its second \$2 billion budget surplus. This government has ample capacity to quarantine a significant amount of money into the next budget, and beyond, to provide taxation relief. That is a great challenge for the Treasurer of this state. The Treasurer's performance on taxation reform has been abysmal.

I will give members an example. I expect that this year, the government will again put out advertisements like the ones it put out last year. The particular advertisement that I am holding up for members to see appeared on 26 March last year, so the government may be running a bit late this year. The government said in that advertisement that it had cut taxes. What a nonsense! The government listed 11 taxes that it said it had cut. Every single one of those taxes is a tax that the government had to cut under the GST agreement! There have been only two types of tax cuts in Western Australia: tax cuts that the government had to deliver under the GST agreement, and tax cuts that the government made after it had increased the level of taxes in the first place! The other thing that the government never shows in its wonderful advertisements is the big, fat GST cake! A lot of people in Western Australia do not understand that when they purchase goods and services, that money goes to Peter Costello in Canberra and comes back to this state.

Mr J.C. Kobelke: Part of it comes back.

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Mr T. BUSWELL: A large percentage of it comes back. A large percentage of the state's revenue comes back to the state through that fiscal flow. However, that is never explained to the people of this state when these sorts of phoney advertisements are placed. If the government wanted to place a real advertisement, it would show people how much the tax take in this state has gone up every year so that they will know by how much they are being slugged. This government is taking no action on taxation reform. That is an absolute disgrace. I have seen the interim report of the state tax review. It is farcical. The government asked this group of people to map the future for tax reform in the state of Western Australia. They have produced an interim report. It is a delaying tactic of the highest order. I hazard a bet that the members of the state tax review will be excluded from the processes that the Treasurer will use to develop his tax reform package this year. We have already seen reports to that effect. The Treasurer has pretended that these people will have an input into tax policy in Western Australia. These people are very good and well-meaning. However, half of them want to put taxes up! I cannot understand how the government can set up a state tax review when the people who are doing that review are people from the WA Council of Social Service and Unions WA who want to put taxes up! The government has cooked up this concoction called the state tax review. It will fail. People will see right through it.

I want to make a couple of points in closing about some matters that I touched on earlier. The first is federal-state relations. There are major problems with the flow of money from the federal government to the states. The Treasurer is right to raise this issue. The principal problem is that state governments are becoming increasingly dependent on the flow of money from the federal government, either through the GST pool or through some other funding arrangement. That means that state governments are becoming increasingly less responsible for raising the money that they spend. That means also that the state governments do not need to be as accountable for their spending programs and patterns. If the state governments overspend, they can hide behind the flow of money from the federal government. That is not acceptable. State governments need to align more closely what they spend as a state and what they generate as a state, through whatever process. They will then be able to be held accountable, because if they overspend, they will need to put up taxes in a meaningful way, and people will then know that they were responsible for that. This imbalance is having a major impact on fiscal accountability in every state.

Mr A.P. O'Gorman: So you do not agree with the GST and the way it was introduced?

Mr T. BUSWELL: I am not saying that. However, when we look at how things have panned out -

Ms M.M. Quirk: The reform agenda is going to deal with that.

Mr T. BUSWELL: We will see. I am saying, as the member for Victoria Park also suggested, that the whole issue of the Federation needs to be reviewed. I take a particular interest, because of my shadow portfolio responsibilities, in the fiscal flows that occur within the Federation. We need to advocate on that issue as a Parliament to ensure that we get the best deal for this state into the future. Part of getting the best deal for this state is making sure that our spending programs are managed effectively. Part of that is also making sure that there is a closer alignment between what we spend and what we earn. That is a fundamental issue that needs to be addressed. This state is stuck in a regime in which much of the money that comes to this state - as the government would know, and as we can only dream about in opposition - is tied to specific programs. Through the tying of grants, we are losing our fiscal autonomy as a state. These are major issues with public policy development that have to be confronted not only in Western Australia, but also in every state in the Federation and by the commonwealth government. There is a lot of merit in the argument that it is now time to sit down as a nation, as a federation of states, and understand where the Constitution is at. Is it time to look at reinvigorating the Constitution to move us forward into the twenty-first century? There are very sound arguments for doing so.

Ms M.M. Quirk: That is what the national reform agenda is about, and the federal government is going slow on it.

Mr T. BUSWELL: We have to push these issues. I get frustrated. The Treasurer had a go at Peter Costello about some suggestion related to state taxes. I say to Peter Costello, "Keep your hands off our state. Let us live and die." Do not get me wrong; I am very critical of the Treasurer's performance, but that is our responsibility. The state Treasurer should not just tell me that Peter Costello is bad; he should tell me what we could be doing differently. He should have a look at the monumental personal sacrifice and effort that went into the development and framing of the Australian Constitution during the 1890s. It was a tremendous period of growth in this country, and the Constitution has given us so much. This is an opportunity for us to go back and have a look at it. From the point of view of fiscal management, things are not positioned for the best long-term interests of this state.

I will touch on one point that the Treasurer often talks about; that is, a little thing called the expenditure review committee that the opposition has set up. The Treasurer is fond, as are all governments, of creating this thing called the "spendometer". I suspect that I will see Peter Costello's "spendometer" out soon. It is a technique

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that governments use to try to undermine the financial credibility of oppositions. It happens everywhere. Of course, one of the single biggest challenges for oppositions is to build their financial credibility. The Treasurer is right when he says that oppositions cannot promise to spend money left, right and centre; it is irresponsible. He is absolutely right, and we acknowledge that. We acknowledge that our role in opposition is to present a financially credible alternative as we move towards the next election.

Mr J.C. Kobelke: When are you going to start doing that?

Mr T. BUSWELL: Let me get to that. We will have plenty of debates about that along the way.

Mr J.C. Kobelke: When are you going to start that new approach?

Mr T. BUSWELL: I am getting to that. I will answer the minister's question. We have established our expenditure review committee to ensure that the policies we develop are well costed.

Mr J.C. Kobelke: Who is on it?

Mr T. BUSWELL: Me, Hon Norman Moore, Hon George Cash and Hon Helen Morton comprise our expenditure review committee. We are working through this process. That does not mean that we are precluded from engaging in public policy debate and discussion that has cost implications. There will come a time when the opposition will move, as do all oppositions, from dialogue about policy - some of that dialogue has cost implications - to a process of giving firm commitments for the election. The government cannot - the Treasurer can stand in this place until he falls over blue - keep adding to the bottom of the list; it just will not work. The federal opposition is an interesting opposition to study for its financial management. I had a look at what it did. It did exactly the same thing. It engaged in a process that I think Kim Beazley called policy dialogue with the people of Australia. A lot of the policies that have been produced and discussed over the past couple of years have enormous cost implications. In October last year he said that the process of dialogue had finished and that from that time on the opposition would release properly costed policies that it would commit to as part of the election cycle. This state opposition is in a policy dialogue with the people of this state. We will keep doing that and we will not back away from that process just because the Treasurer insists on saying in this place that there is a cost implication in that dialogue. The opposition has an obligation to develop good public policy. Of course that public policy will be based on philosophical differences with the government. We will go through that process and, through our expenditure review committee, we will deliver, come the election, a credible financial alternative for the people of this state. I wanted to put on the public record that there are members of the expenditure review committee. I know the Treasurer gets himself very excited about it, and I do not like to see the Treasurer get overexcited; it concerns me.

Essentially, that is our view. We will work through some issues with the appropriation bills just to make sure that, in our estimation, certain items of expenditure add up. However, I will conclude by saying that we are concerned about the financial management of this state, not only for political gain, but also because we feel that the economic boom that this state is currently enjoying is not being managed effectively to position this state to grow to its optimum capacity into the twenty-first century.

MR M.J. COWPER (Murray) [11.44 am]: This cognate debate gives me a great opportunity to speak about the current government's expenditure and how it affects my constituents. At the end of the day, members are placed in their respective positions because of the people's faith in their representatives coming to this place and speaking boldly so that they get their fair shake of the tree or slice of the cake.

The Murray district is the fourth oldest municipality in Western Australia. Pinjarra, the heart of the Murray district, was established in 1834. Primarily, it was established because the Swan River Colony was starving. There had been some anecdotal evidence from settlers that some cows had wandered south. This renowned parcel of land was very intriguing to the settlers of the Swan River Colony because it offered something that they did not have on the Swan coastal plain; that is, good soil for farming, which would solve the problem of starvation that confronted the Swan settlers. The rest is history.

Governor Stirling dispatched a whaling ship south along the coast to find the Murray River. The Murray River was so named before it was discovered. Members might wonder how on earth that could happen. The Murray River was named after Lord Murray, the colonial secretary at the time. He was a Scotsman and he was in the House of Lords. His home town in Scotland was Perth; hence the connection. Perth is the only capital in Australia that was named after another place. All the other capital cities were named after people. The Murray River in the Peel region in the Murray district was named before it had even been found. The settlers had heard reports of this great river that would, hopefully, save the bacon of the Swan River Colony, which was starving. The whaling boats dispatched by Governor Stirling sailed along the coast via Fremantle and Garden Island. They expected to find a river mouth, but they did not. They missed entirely the mouth of what is now known as the Harvey-Peel waterway and continued south. As I recall, it was November and they experienced a very

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strong sea breeze - the Fremantle doctor, as it is now known. They came ashore at Preston Beach. The member for Collie-Wellington has a place in the area, and some friends of mine - Superintendent Watson, Superintendent Parkinson and another good friend - own a general store in the area. The people from the whaling boats spent three days on the beach; they were unable to get their whaling boats off the beach because of the very strong prevailing sea breeze. After spending a few days there, they managed to get their whaling boats back into the water and they decided to head back north. As they travelled north, they came around the point at what is called Doddie's beach and saw through some breaking waves what appeared to be a river mouth, which led to the 167 square kilometre estuary and river system that is one of the best systems of its kind anywhere in the world. I am very proud that it is largely in the Murray electorate. Those people established a camp there at what is now Halls Head and began to explore the waterway. The following day they went out into the estuary. They realised that they were in fact in an estuary and went to look for the mouth of the Murray River. They initially travelled south and engaged with Aboriginals for the first time on what is now Point Grey. They continued travelling south along the Peel Estuary. They got over a sandbar and found what we now know to be the mouth of the Harvey River. The Harvey River was not the river that was described to them by the settlers. Therefore, realising their mistake, they came back and later the next day they found the mouth of the Serpentine and Murray Rivers. Of course, the rest is history. The reason Pinjarra is where it is today is that it was as far as they could get their boats along the Murray River to establish the townsite of Pinjarra. It was a pivotal place and they discovered that there was good pastoral land there. Pinjarra has been pivotal to this state ever since then. Some memorable people preceding me have represented that electorate. I made mention of them in my maiden speech and I pay homage to those fantastic people. Pinjarra has for many years been an enclave of very good support for people on the Liberal and conservative side of politics. It goes right back to the time of a former Premier of the state, Sir Ross McLarty, who is iconic in the town of Pinjarra; hence many of the roads and parks there are named after him, such as McLarty Road and Sir Ross McLarty Park, where my son plays football on Saturday morning.

In recent times, perhaps because Pinjarra is renowned as a Liberal stronghold, it has suffered at the hands of successive Labor governments and does not get a fair shake of the tree or a fair cut of the pie. That is why I am talking about it today. I will first talk about schools. We all know that the Peel region and the Murray district are the fastest growing areas of Australia. My electorate office sends out about 150 welcoming letters a fortnight to residents of my electorate, which indicates a fair whack of growth.

Mr A.P. O'Gorman: Not as many as the member for Wanneroo sends out.

Mr M.J. COWPER: The fact remains that my electorate has only half the population of the member for Wanneroo's electorate. I understand that there are about 30 000-odd people in her electorate. Notwithstanding that, Pinjarra is a very fast growing area. It is an undeniable fact that it is the fastest growing area in Australia. This urban sprawl will continue in years to come. Many members of this house, including me, have stood in this place and complained about the infrastructure there not keeping pace with growth and about it not getting the attention it deserves. A recent *Stateline* program two weeks ago discussed this very issue. It stated that the infrastructure in the area has not kept up with growth. A classic example is schools. A number of reports have been compiled by municipalities there. One was compiled by the City of Mandurah and one by the Shire of Murray. The one compiled by the City of Mandurah was very interesting and is available on the Internet for members who wish to read it. The report broke the City of Mandurah into 12 regions and described the growth in each of those regions. The number one fastest growing area in the City of Mandurah was Lakelands. That is a suburb on the left-hand side going south to Mandurah near Mandurah Baptist College. We all know the fantastic record that has been established at Mandurah Baptist College. I had the pleasure of visiting the college last week for the announcement of the expansion to the school. In 2004, 100 people lived in that subdivision. I believe that by 2012 there will be 9 000 people in that subdivision. It is the number one fastest growing area in the City of Mandurah; number two is Dawesville; and number three is Meadow Springs, where I live. In excess of 200 homes are under construction around my electorate office at Meadow Springs Shopping Centre. That indicates how fast the area is growing. For members who are interested, the fourth fastest growing area in Mandurah is Falcon.

The Shire of Murray is almost a totally different environment. I have two electorates, so to speak: one that is very much an urban environment in the north corridor of the City of Mandurah and another in the Shire of Murray. People say that Pinjarra is 25 kilometres and 30 years away from Mandurah, or from the rest of Australia, because it suffers from a lack of services. The people of Pinjarra are the first to point out that it does not have the services available to it that are available in Mandurah or in any part of the Perth metropolitan area; namely, deep sewerage, access to broadband and access to reticulated gas. Notwithstanding the fact that the Dampier to Bunbury gas pipeline travels straight through the heart of the Shire of Murray and also feeds off to Alcoa, Pinjarra does not have access to reticulated gas. Something like 2 700 residents in that area want to connect to reticulated gas. At the last election I heard the Gallop government promise that there would be a

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rebate given to pensioners who must use bottled gas. As we all know, there is a rebate given to those who are on reticulated gas. I believe that the people in my electorate have been disadvantaged significantly in many ways.

I go on. The Peel region does not have a transport system or other appropriate services that people expect in the metropolitan area. I will speak about a few of those in my speech. The number one appropriate service that the Peel region does not have is schools. Yesterday I heard the Minister for Planning and Infrastructure talk about how wonderful it is in the Peel region and about the many schools the government is building there. I wrote a letter to Hon Ljiljanna Ravlich when she was the Minister for Education and Training and asked her which new schools were being built in the Peel region. A response some weeks later said that she was proud to announce that a new middle school and a new primary school would be built at Secret Harbour. I thought that was fantastic, particularly for my cousin who lives up that way, for friends who live in Secret Harbour and for all my friends at the Secret Harbour Surf Lifesaving Club. My fundamental point is that Secret Harbour is not even in the Peel region. The answer therefore was zero. No school was being built in the Peel region, notwithstanding that it is the fastest growing area in Australia. At budget time there was nothing in the forward estimates for a new school there. I will give some credit to the government as, miraculously, last year it plucked some money out of the air. We know where that money came from. Because of the incompetence of this government in planning ahead, as the member for Vasse explained, the government plucked money out of the Treasurer's advance account to build a new school at Seascapes estate in what is called south Halls Head. That area, as I explained, is the second fastest growing area in the City of Mandurah. Miraculously, the government found some money and dropped it right where it was needed. Well done to the government for that! However, it has not gone far enough, as not one public school is planned for my electorate in the foreseeable future, and not even one is listed in the forward estimates. There is not a red cent for a public school there, notwithstanding that it is the fastest growing area. I am angry about that. There is already land available at Ravenswood that has been provided under the outline development plan - ODP - for the development of 19 000-odd homes that will be built in that area. There is land available in Meadow Springs. Currently, 230-odd students must cross Fremantle Road to get to North Mandurah Primary School. I want to give a plug to Councillor Bruce Blay, the principal of North Mandurah Primary School, for the fantastic job he and the school community have done to save the crosswalk attendant there, as the government was going to take away the attendant. I also acknowledge police Inspector Paul Bond for doing a very good job on the crosswalks.

The third fastest growing area of Mandurah still does not have a new-school plan, notwithstanding that the region will have about 1 394 primary school-age children between the ages of six and 12 years in the next six years. The government has no forward plan. What is the current population of students in schools in that area? In my electorate, Singleton Primary School has about 650 students; North Mandurah Primary School about 650; the new Riverside Primary School about 750 - it also has four demountables classrooms; and no new schools are planned for the future.

Let us consider the Shire of Murray. Again, this is a different region. It is as though I have two electorates in one. How many primary schools are there in the Shire of Murray? There is one in Dwellingup. Dwellingup is struggling, as we well know. I have commented in this place that we need to support the people of Dwellingup in light of the fact that businesses are struggling as a result of the fire. I encourage anyone in this house to take their families to Dwellingup - it is only an hour's journey and is a fantastic part of the world - and support the wineries and cafes that survive on the tourist dollar. The Hotham Valley Tourist Railway has been decimated because of the fire. There needs to be an injection of funds into Dwellingup through support for the local community. I am very proud that my Rotary club and the Rotary clubs of Mandurah and Pinjarra had a meeting at the Millhouse Cafe, which has a chocolate factory. I am sure the Acting Speaker (Mrs J. Hughes) would be fond of that.

Mr A.D. McRae: You look like you're very fond of it!

Mr M.J. COWPER: The other point is that there are no new schools in the Shire of Murray; none whatsoever. For the past 50 years, students in the Shire of Murray have travelled to the three schools at Pinjarra, which include St Joseph's Catholic Primary School and the Pinjarra Primary School. The principal of the Pinjarra Primary School is a good Rotarian friend of mine, Mr Rob Davis. His partner, Beth Aitken - who was the 2005 principal of the year and another good Rotarian friend - is the principal of the Pinjarra Senior High School. Those three schools have between them 1 600-odd students. The layout of the shire means that nearly half of those students travel to and from their homes on a school bus. They travel from Waroona in the south, North Dandalup in the north, Dwellingup, Yunderup, Murray River Estate, Ravenswood, Barragup and Furnissdale, which is right on the boundary of the shire

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Mr M.J. COWPER: Nearly half the students living in those locations require public transport. As my electorate is on the outskirts of the greater Perth metropolitan area, there are growing pains associated with the rapid growth of the area, in addition to the pressures being brought to bear on the community in dealing with growth. I empathise to a degree with the government, but there has been a total lack of planning for the future development of land, schools, roads, hospitals and everything else that is associated with growth. The largest, most productive alumina refinery in the world is situated within that community. Alcoa World Alumina Australia, Pinjarra is a world leader in the production of alumina. Alcoa World Alumina Australia, Wagerup is situated just down the road. Between the two of them, which fall into the catchment for my electorate, they produce a huge amount of wealth for the state. Are they getting a slice of the pie? I am here to tell members they are not, and I will explain why.

In my capacity as shadow minister for emergency services, I visited some firefighters at the Perth Fire Station. They showed me around their fire station. I recall it being built 28 years ago, when I was walking the beat. I thought it was a fantastic building. The students in the gallery might be pleased to know that when it was planned to construct the Perth Fire Station, a delegation travelled all over the world to find out what was the best possible fire station to be constructed at that time. They came up with what became the current Perth Fire Station in Hay Street. It was opened with great fanfare. It had something in the vicinity of 36 firefighters, 16-odd officers and 10 fire appliances in a 10-bay fire station. Today, it has been reduced to 12 firefighters and three officers, and the station has only four appliances. It is now proposed to build a new fire station a few hundred metres down the road at a cost to taxpayers of \$10 million. As I understand it, most of that money will come from the emergency services levy. The Dwellingup Fire Station is a tin shed and has limited resources. Notwithstanding the fact that some of the biggest fires in many, many years have occurred at Dwellingup, the situation has been ignored. Tim Birmingham is the fire control officer at Dwellingup. He did a fantastic job during the Dwellingup fires, and I commend him for his work. The chief fire control officer for the Shire of Murray, Jimmy Camplin, did an equally good job. These people are local heroes. When I was fighting those fires alongside those very brave people, I understood at first hand the job they did. What does it mean to those people that \$10 million will be spent on a new Perth fire station? I tell the young people in the gallery and members that staff at the Perth Fire Station do not want to move from the current premises. They think it is adequate, but that it is rundown because of lack of maintenance. I do not know the agenda for the Perth Fire Station; I have been trying to establish it. However, someone has had a rush of blood to the brain and decided that a new fire station will be built on Wellington Street, notwithstanding the fact that the firefighters and everyone associated with putting fires out are happy with the present facility. Meanwhile, there are problems with infrastructural needs in country regions. I have been to the member for Mindarie's electorate and I have seen the Hester fire station. It is a joke. It is a fire station that is open only between the hours of 6.00 am and 6.00 pm. What is that? That is a Clayton's fire station. Do not have a car crash or a fire in that area, because the fire station is open only half the time. What a joke!

I will return to the subject of my electorate, because I am trying to get to the bottom of the question of where the government is spending its money. Racing and Wagering Western Australia - RWWA - is a fantastic organisation. It raises lots of money through the Totalisator Agency Board so that it can spend money all over the place, particularly in regional Western Australia. I again acknowledge that last Friday night, in the company of the member for Rockingham, I attended the opening of the new greyhound track in Mandurah. I had some of the best food I have ever tasted. It is a fantastic place and I recommend it to everybody. I will also give a tick to the member for Rockingham - he has done well. Let us turn to the Pinjarra Race Club. The government will spend in the vicinity of \$2.3 million there. That is fine, too, but the government spends something like \$7.4 million on a training facility because Bob Maumill and Brian Burke -

Ms M.M. Quirk: Who? Never heard of him.

Mr M.J. COWPER: The member's mate - Brian Burke. There is a horse called "General Strike"; I would not advise members to back it! It is owned - I will stand corrected if I am wrong - by Bob Maumill, Kev Reynolds, Brian Burke and Rennie Gardiner.

Ms M.M. Quirk: That would be primed to put on a bit of condition!

Mr M.J. COWPER: Let us work out why they are getting \$7.4 million and the Pinjarra Race Club, which has been around for many years and has a fantastic new clubhouse, is getting only \$2.3 million. Further down the road is the Pinjarra Trotting Club, of which I am a proud patron. Guess what it has? It has a big fat zero - not a sausage, not a brass razoo. I have raised the issue of the Pinjarra Trotting Club in this place on a number of occasions, and I will continue to do so.

The minister says that we will have a fantastic transport system in the Peel region. It will be fantastic, all right. It was to cost \$1.2 billion; then it went to \$1.3 billion, \$1.5 billion, and \$1.68 billion. What will the amount end

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up being? Perhaps the Deputy Leader of the Opposition, the member for Vasse, will be able to shed some light on what it might cost. His guess would be as good as anybody's.

Mr T. Buswell: It's going to cost a fair bit.

Mr M.J. COWPER: It will cost a fair bit - exactly right. That means the schools in my electorate will not have the opportunity to get what they need because the government has been spending willy-nilly all over the place. I am not very pleased about it at all, considering the situation for students in my electorate. Students in the gallery might be able to empathise. The bureaucrats in government departments have drawn a line on a map and designated it as the boundary for the Perth's public transport area. It comes across the Serpentine River and into the Shire of Murray by some several kilometres. Notwithstanding that, the students who live in the area of Furnissdale-Barragup are affected by the education department boundaries, which states that they must go to the Pinjarra Primary School and the Pinjarra Senior High School, as students in the area have done continuously for the past 50 years. But no, some boffin in Perth has drawn a line around the area and said that the children must go to school in Mandurah. That is ignoring the fact that schools in Mandurah are full. In fact, I mentioned before that Riverside Primary School - the nearest primary school - has 750 students. There is no capacity to take more students. Despite that, parents have been told that the students must pay a 50c fare and that in five years the school bus service will be discontinued. It will happen despite the fact that there is not one single public transport bus travelling through those areas. The day before yesterday I was in my electorate watching the school buses. They left young Xander Mettam - a-three year-old - by the side of the road. It is an unmitigated disgrace. He is a three-year-old! I have the photographs to prove the case.

Mr A.D. McRae: Why was a three-year-old there?

Mr M.J. COWPER: He was going to preprimary school. There were also children aged from six to 14 years left by the side of the road.

Mr A.D. McRae interjected.

Mr M.J. COWPER: It is an unmitigated disgrace; they were left by the side of the road. The Public Transport Authority is using jackboot tactics. It is threatening parents with the Department for Community Development and the police if the children are not picked up. What we have here is a bureaucracy that has gone absolutely mad. Tactics are being used that members would not believe. What was going on with the PTA will soon become well known. I want to see an independent review into the PTA because, as a result of this incident in my electorate in the past two days, I am receiving calls from all over Western Australia. Similar tactics have occurred in Busselton in the electorate of the member for Vasse. I am getting complaints from Swan Hills, Serpentine-Jarrahdale and Esperance. I want to see that authority tipped upside down. The tactics the PTA are using are an unmitigated disgrace. It is an indictment of the Minister for Planning and Infrastructure. She is a disgrace. Her fingerprints are all over this. I am as angry as hell about this. I can assure the house that there will be more on this.

Several members interjected.

The ACTING SPEAKER (Mr P.B. Watson): Order, member for Vasse! I am sure the member will want to hear the member for Murray.

Mr M.J. COWPER: I turn now to the Murray District Hospital. The hospital has been used by five generations of local Pinjarra people. It is now nothing more than a shell of its former self. It provides very limited services, notwithstanding the fact that it is in the fastest-growing area in Australia. It is strategically located on the South Western Highway; an area where there have been many deaths caused by accidents in that region. It saddens me greatly that last Sunday, Dimity Gal, a 35-year-old mother of two, had a crash in her car on Kargotich Road in Mundijong on her way home and was killed. She had two of her own children with her in the car, and one sustained a broken arm. My condolences go to her family. I feel very sad for them and the community. That puts things into perspective.

I am very proud of my electorate; I am very proud to represent it. It is not getting its fair share of the financial cake. The Murray District Hospital is being neglected; it is just white ants holding hands!

I must mention Mrs Edna Trickett, a dear lady, and her husband, Bob. They are the matriarch and patriarch of Pinjarra. Bob Trickett passed away recently and I made a promise to Mrs Trickett - she reminds me of my grandmother - that I would see that the hospital got back to its former glory, which it deserves. At the moment it is just a shell of its former self. The community will need the hospital because the Point Grey development is coming on line and the Perth to Bunbury highway will be going through. All that land will be opened for development and a lot of planning needs to be done. When I hear the harebrained ideas of bringing on Amarillo - which was the former member for Peel's brainchild - which will involve the back drilling of the

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Serpentine River and impact severely on the waterways, I question why LandCorp is not left out of it so that the businesses and companies that want to develop land in my electorate can do so without costing taxpayers money.

Industrial land is another issue, but I am rapidly running out of time to speak.

MR A.J. SIMPSON (Serpentine-Jarrahdale) [12.15 pm]: I wish to add to the debate on the Appropriation (Consolidated Fund) Bill (No. 5) 2006. This gives me an opportunity to talk about some financial issues that concern me.

One of the biggest issues that face us as a state is rubbish. It is a huge issue. Everyone produces it and we all have to deal with it. I have a landfill in my electorate in Cardup. It is an old quarry that is being filled. It has six years to go. Recently, the government gave its approval to modify the footprint, which is because it has six years of life left. The government has a policy of zero-zero waste by 2020. We are working towards that. On the other side of my electorate is a regional resource recovery centre - an RRRC. It takes household waste and turns it into compost. There have been some major difficulties getting a perfect result. There are issues with the compost it produces because it contains a certain percentage of glass. Food growers are not keen to use the compost in soil. However, it is probably the lesser of two evils. I sometimes get frustrated with constituents who contact me about these issues, whether it is about the RRRC or the Cardup landfill. We all put our wheelie bins at the front of our properties each week and want someone to take the rubbish away. Generally, it is the local government that has to deal with that situation. Sometimes it is the state government. The RRRC is a Bedminster system and it has its problems; we do not deny that. I have spoken to the minister recently and I have spoken in the house about the issue. It is unfortunate that the way in which it is operating allows a smell to be emitted. An amount of \$2 million has been spent but it is not operating all that well. I understand that someone has arrived from the eastern states to look at the problem of the smell. I hope that we will hear back from the RRRC and Stuart McAll on the process and that we can move forward. It is quite an amazing process. Some people in my electorate are concerned that the rubbish tip is leaking. No matter what report is undertaken, even my own independent water testing -

Mr A.D. McRae interjected.

Mr A.J. SIMPSON: No, I asked for it to operate within its licence.

Mr A.D. McRae: I do not think that is right.

Mr A.J. SIMPSON: It was operating out of its licence.

Mr A.D. McRae: That is not right.

Mr A.J. SIMPSON: As the minister, the member shut it down and reopened it.

Mr A.D. McRae: That is not right either.

Mr A.J. SIMPSON: We will move forward because we have the same situation. In my electorate, the RRRC is composting at one end, and there is the landfill site at the other end. Both of these are not acceptable to the community. We should stand back and look at the bigger picture. I keep telling people that we all produce rubbish but nobody wants it in his backyard. That is what it all boils down to. The Bedminster system has been proved to work but, unfortunately, unless the facility is situated in the middle of a desert where no-one is affected, it cannot operate as well as it should.

We all try to work towards not burying rubbish any more because we realise it is not doing the environment any good. The Cardup project is quite interesting. Holes have been bored and methane gas is being sucked out. I think they are getting enough methane gas at the moment to generate enough power for 2 500 houses. When the tip is finished and closed, there should be three generators, which is enough to provide power to 5 000 houses for the next 20 years from the methane gas. That is the positive side. The negative side is that there is a hole in the ground in a quarry. It has been confirmed that it is on a watertable. I have done my own independent water sampling but I have not found any proof that it is leaking. I understand that the community is concerned, and I will continue my monitoring this year and in years to come to try to alleviate the concerns of residents. I live in the town just near the rubbish tip and so I am aware of their concerns.

Mr J.C. Kobelke: Is the old quarry a clay quarry or a sand quarry?

Mr A.J. SIMPSON: Gravel was taken out, so it is a granite quarry. A liner has been put in it and a pipe has been placed at the bottom so that the water is drained through the pipe and is sent to a leachate lake to evaporate the water. Bore sampling is constantly being done and the site is monitored. It is very well run tip. All rubbish is weighed in and it stores only household waste. There was some concern that it was being used to store toxic waste from the Brookdale plant when that closed. However, the tip has taken only household waste since the plant's closure. We all produce waste and must deal with it. Unfortunately, the tip will operate for only six more years. We must look to the future and decide how we will deal with household rubbish. I have spoken to

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the minister about the impact the Regional Resource Recovery Centre has had on the community. I feel for the people who live only 400 metres from the centre, because it smells bad. Last Thursday at 10.00 pm the smell was so bad that we drove to the RRRC. When we arrived, the CEO of the RRRC was walking around the fence and noting the smell. We all agreed that the so-called negative pressure is not working. On Monday or Tuesday this week someone looked at the extraction unit and the biofilters. The former member for Roleystone did a lot of research on this matter when he was a member because the City of Gosnells was considering installing a similar centre. The City of Gosnells now transports its waste to a site in my electorate in Cardup. Each country in the world faces a similar problem. It is a matter of thinking outside the area. I had a good conversation with the minister on Tuesday about the RRRC and how to alleviate the smells. We must go through the process of trying to work out how to get rid of household waste so that it does not impact on the community. The RRRC is working, because it is reducing compost, but there is a bad smell that is impacting on people and that issue must be addressed. The centre is considering building another similar centre in the northern suburbs. The centre in Canning Vale will be used as a testing plant to iron out all the faults before the next centre is built. About \$70 million has been invested in the centre at Canning Vale. It will have to continue to operate and we will have to try to fix the problem. I spoke to the minister about that on Tuesday. He will look into it for me to find out whether it is operating within its parameters. When it was first licensed, it was licensed to treat 50 000 tonnes and it is now treating 100 000 tonnes of waste a year. It is treating double the amount of rubbish that it was originally licensed for. The minister can look at that issue.

I have said previously that the link road through Jarrahdale will always be an issue in my electorate. The minister is working towards getting an outcome on the link road so that the community can progress and have the cloud of doubt lifted from its shoulders. It has been two years since the last election, but this issue will rear its head at the next election. I hope that the minister will heed my concerns and resolve the issue of the link road. Once that is resolved, we can resolve the issue of the Tonkin Highway extension past Thomas Road around Byford. Currently, the highway terminates at Thomas Road and all the heavy traffic travels through the small town of Byford. Byford is growing rapidly. I have written to the Minister for Education and Training regarding the construction of new schools in the area. The member for Murray talked about a similar issue. My daughter goes to Marri Grove Primary School, which has 360 students. That is a reasonably small school and it is located on a small site. It has only one oval and two playgrounds. There is limited room to expand the school unless the state government acts now and acquires more land near it to give it room to expand. I hope that the minister will look at that issue favourably when the times comes, because the government will have to address that situation. I will not take up any more time because other members wish to speak on this. I thank members.

DR G.G. JACOBS (Roe) [12.24 pm]: I take this opportunity to talk to the appropriation bill. My remarks will not necessarily be related to the projects in my electorate that the government has not financed. I will raise the issue of the lead pollution that has descended on the port town of Esperance over the past six months. I will walk members through some of the issues that will have an economic impact on Esperance and the electorate. It is an issue that will encompass many departments, including health, Treasury, transport, planning and infrastructure, fisheries, the Water and Rivers Commission and tourism. The impact this issue will have on the port town will be immense. Recently, various people have told me that this issue is a storm in a teacup that has been driven by the media. They have said that the port authority is being subjected to a trial by media. It has been suggested also that I have a political axe to grind. There is no political axe to grind when we talk about the health of a community.

This issue began in November or December last year when residents in Bostock Street behind the port noticed that many birds had died. It has been extrapolated that more than 4 000 birds, mostly of the nectar feeding variety, have died. After a long process of pathological diagnoses and toxicological tests, it was announced on 3 March that the birds had died from lead toxicity. There was another important spate of deaths in early March when 185 lorikeets were also found to have died of lead poisoning. That statistic alone is not an issue for scaremongering. It is not a political issue; it is an important environmental and human health issue. I have said in this house previously that we all understand at least a small amount about the implications of having lead in the human body. People wonder whether, because it can get into birds, it can also get into humans, and particularly into our children, who are vulnerable to the effects of lead toxicity. There is no doubt that the town has been tainted. The problem is probably worse than an oil spill because at least an oil spill can be seen; lead pollution cannot be seen easily.

A media statement by the Department of Environment and Conservation last Monday said that marine sediment samples collected from the seabed directly under the Esperance Port Authority discharge pipe have returned very high lead levels. The department's pollution response unit collected six samples of marine sediment over a five-square-metre plot under the Esperance Port Authority's discharge pipe two weeks ago. The marine samples collected showed lead readings between 3 600 milligrams per kilogram and 29 000 milligrams per kilogram, which is well above acceptable environmental levels. The acceptable environmental levels for lead under the

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Australian guidelines are set between 50 milligrams per kilo and 220 milligrams per kilo. There has been an absolute quantum leap in the levels found at the bottom of the harbour. The fisheries regional manager, Phil Shaw, has advised people to avoid consumption of shellfish, crustaceans or fish taken from the vicinity of the ship-loading wharf until the status has been determined. Without scaremongering, our environment has been tainted. It is worse than an oil spill because we cannot see it happening.

At a public meeting I chaired last Monday night, the major concerns of the community were how this happened, the possible health impact on the community, how it is to be cleaned up and how it is to be prevented from happening again. Did anybody take their eye off the ball? How did this happen? Three major issues were raised at the meeting. The first was the report of the Department of Environment and Conservation that the Esperance Port Authority had not been exporting the lead carbonate in the form required by the export licence. The export licence specifically details pelletised lead carbonate. However, for 18 months, during which time some 130 000 tonnes of lead carbonate has been exported, the process has involved granulated powder. Compared with pellets, the pollution potential of granulated powder is a lot higher in causing dust and airborne pollution, and creating an increased possibility for lead toxicity in birds and, even worse, our children.

The second issue raised at the meeting was that the Department of Environment and Conservation report showed that there were significantly higher dust levels at two monitoring sites in February and May 2006. One dust deposit gauge returned a reading of 42 milligrams of lead deposit per square metre over 30 days. To put that in context, the average acceptable readings are one to five milligrams per square metre. A reading of 42 is significantly high. In May 2006, two other dust monitoring gauges returned levels of 18 and 24 respectively; still significantly higher levels. These readings seemed to incite no response. The Esperance Port Authority could say that it had complied with the conditions of the licence. It had been monitoring and it had composed a report that was submitted, and it had received no response. We now see the blame game happening. The Esperance Port Authority submitted the report but the department said nothing about it, and did not alert the authority to the results. The report was released some months later. That is a significant question, because the prevention notice issued to the port to stop any operation involving either inward or outward transport mentioned the high dust monitoring results, although it was issued some months later. The high dust monitoring results were returned in February and May 2006, and now it is March 2007. Some community leaders have been asking what has happened in that time to the ongoing potential for pollution. The third issue that came from the meeting was that of marine sediment, for which I have already provided some figures.

The very real concern of the community is no more highlighted than by the fact that I was contacted by the regional medical officer of the Department of Health. It is his responsibility to inform me of the blood level results of patients in my practice. A couple living in the suburb of Sinclair have a daughter with two young children. One of them, 11 months old, has a blood lead level of 11 micrograms per decilitre. To put that into context, we heard on Monday night from the lead expert in Australia, Professor Brian Gulson, from the Graduate School of the Environment at Macquarie University, that the accepted level of lead in human populations in Australia is 10 micrograms per decilitre, or 10 millionths of a gram per 100 millilitres of blood. My 11-month-old patient has a lead level of 11. As I said in my introductory remarks, this is not sensationalism. However, we must be cognisant of those results, which have produced some justified concern about children in the community.

Mr R.C. Kucera: I notice there was a report in the newspaper this morning that attributes some of the sediment to the recent flooding. Will that be part of the inquiry?

Dr G.G. JACOBS: I was also rung by the media this morning, with the suggestion that the lead levels in the harbour were due to the recent flooding event that we had on 4 January. It does not matter. These events do happen; we do get rain. Admittedly, it was a lot of rain on this occasion - 200 millimetres in 36 hours.

Mr R.C. Kucera: That is the point I'm making. If the flooding is proven to be partly responsible, there obviously needs to be provision for that in the future.

Dr G.G. JACOBS: As the member for Yokine rightly says, infrastructure, practices and procedures need to take those sorts of events into account, because we understand how important the issue of lead pollution would be, particularly in the bay, and all the implications for marine life and human populations. To provide an avenue for these issues to be addressed in the future, and at other sites and for other activities, whether they be nickel, lead or iron ore, common practices or procedures need to be considered for determining where the breakdown occurred. This is not a witch-hunt or politics. I have had conversations with the other side of Parliament about the need for a parliamentary inquiry into those practices and procedures.

I gave notice of this motion yesterday. I hope the government will see the merits of debating this motion, not as a political stunt, but for the benefit of the people of Esperance. There is no doubt that Esperance will suffer economically. There has already been a downturn in tourism in Esperance. Tourism is a bit like politics. It is

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all about perception. The perception is that Esperance has a problem with lead pollution. There is evidence that Esperance certainly does have a problem with lead pollution. We need to talk about the causes of that pollution, the processes for dealing with that pollution, and the processes for preventing that pollution in the future, not only in Esperance, but perhaps also at other sites.

The motion that I propose to move is that the house refer this matter to the Economics and Industry Standing Committee for consideration and report. The motion goes on to outline five proposed terms of reference for the committee. I intend next week, with the permission of the Leader of the House, to present this motion, hopefully with the support of the government.

[Member's time extended.]

Dr G.G. JACOBS: I do not intend to take up a lot of the time of the Parliament on this motion. As I have said, I hope to get some indication that the government will support this motion. The proposed terms of reference for the committee's inquiry are as follows -

The cause and extent of lead pollution in the Esperance area with specific reference to the following matters -

- (a) how the licensing process for the export of pelletised lead enabled the export of granulated lead;
- (b) the effectiveness of dust monitoring and reporting in relation to lead levels in the area, and the adequacy of the response to those reported levels;
- (c) the extent to which handling and other practices at Esperance port gave rise to extremely high benthic lead levels in the harbour;

That may answer some of the questions raised by the member for Yokine. It continues -

- (d) whether the Esperance Port Authority properly exercised its responsibilities in relation to the potential lead pollution; and
- (e) whether the existing responsibilities of the Department of Environment and Conservation in relation to the Esperance Port Authority processes, practices and procedures were adequate and were properly exercised.

That is, was the Esperance Port Authority keeping its eye on the ball? Was it looking at, and responding to, the dust monitoring results? Did the port authority do everything according to the conditions that had been imposed by the Department of Environment and Conservation? Is there an issue with pelletised lead as opposed to granulated lead? I notice - I am not sure whether it was a press release or an article in *The West Australian* - that there may be a problem with the definition of "pelletised", and about whether lead is pelletised if it is granulated with water. I am not sure about all the details of that matter.

These are the issues that a bipartisan parliamentary committee should examine. I am raising this motion not to promote my political career or play political games, but so that a committee of this Parliament can examine these issues and arrive at an outcome that is concrete and that will enable us to deal with this problem effectively.

I hope the government will support my proposition that three additional members be appointed to the Economics and Industry Standing Committee for this inquiry. I hope one of those members will be me, not only because of my involvement with this matter from go to whoa, but also because I am a long-term resident of Esperance. I went to Esperance as a seven-year-old farmer's son. I went to Perth to study medicine. I then went back to Esperance as a general practitioner and practised medicine in that town for over 26 years. I also brought up a family of five children in that town. I believe that I have a pretty good feel for not only the town, but also the situation that has arisen in the town. I have suggested that the member for Churchlands also join that committee, as well as a nominee from the government. This is an important issue. I have raised this matter during the debate on this Treasury bill because it is a matter that will have a significant effect on the economy of Esperance. It is important that the members of this Parliament get together in a bipartisan way to find answers for the people of Esperance.

Another important matter in my electorate is education. There has been a significant increase in population in my electorate. Esperance Senior High School has over 1 000 students. A new Anglican private school for secondary students will commence operation in 2008, in a graduated way from year 8 onwards. It is expected to take 30 to 40 students in its first year. The Ravensthorpe nickel mine has attracted about 300 resident workers to my electorate. Part of the agreement between the federal government and the state for that mine was that the workforce be resident rather than fly in, fly out. Those people will live in Hopetoun, Esperance and Ravensthorpe. The parents of high school students will have the option of sending their children to Esperance Senior High School. However, that will be possible only if Esperance Residential College is upgraded to enable

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it to accommodate those boarders. The residential college is bursting at the seams. It is accommodating 105 students in three transportable units in order to meet the need in the community. That cannot go on forever. With the expansion of the mine, the increase in the town's population and the construction of the new Anglican school, it is very important that we get in this budget round \$11 million for the upgrade of the Esperance Residential College. I have spoken to the Minister for Education and Training. The head of the board and the chief executive officer of the college have also had talks with the minister. He has some material that I have given him recently, and we have asked that that be a high priority for Esperance. We missed out in the last budget round.

Debate interrupted, pursuant to standing orders.

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