

## **PREMIER'S STATEMENT**

### *Consideration*

Resumed from 11 February on the following question —

That the Premier's Statement be noted.

**MRS L.M. HARVEY (Scarborough — Leader of the Opposition)** [12.22 pm]: I rise to respond to the Premier's Statement, which he delivered in the house yesterday. Before I make my remarks, though, on behalf of the state Parliamentary Liberal Party, I would like to express our condolences in response to the Minister for Planning's tribute to the late Eric Lumsden. He was indeed a great servant of the people of Western Australia and served across many different governments. On behalf of the Liberal opposition, I would like to personally express my condolences to his lovely wife, Gretchen, and their family.

Welcome back, everyone. There are 395 days until the next election. I trust that everybody has had a nice rest over summer and we are all up and at 'em with our tails in the air, ready to start campaigning over the next 12 months plus one. As the Liberal opposition, we will be diligently doing our jobs and holding the McGowan government to account for its underperformance across many different areas. In 395 days, the people of Western Australia will be able to choose which party has the best vision for Western Australia, and along with our partners in opposition, the Nationals WA, we will be making sure that there is a very clear choice for Western Australians between us and this insipid Western Australian McGowan Labor government. We will highlight and provide for the people of Western Australia a choice of a government that will recognise their aspirations and provide them with some hope, rather than the ineptitude and arrogant nonchalance that we have seen on behalf of Premier McGowan as leader of his team. We will highlight the failures of the McGowan government. The failure to manage the domestic economy is the cause of sluggish wages growth in our community, households being unable to manage the cost-of-living increases that have been inflicted upon them in a very mean-spirited way by this government, and the reason that housing prices in Western Australia have collapsed. We have failed to see the Premier demonstrate any kind of leadership whatsoever in this matter.

When the opposition as well as external observers and commentators rightly raise the issue of the management of the domestic economy, all the Premier does is criticise people for talking down the economy, saying that we should be talking it up. We are listening to the people in the community who are telling us that they are sick and tired of hearing the Premier say, "Talk up the economy." It is all well and good to say that we need to talk it up, but we actually need to take action and put measures in place to help it improve, not stick the knife in and turn and twist it while the economy is floundering, which is what this government has done.

We have seen failures in law and order, and we highlighted that yesterday. The crime statistics do not lie. The hardworking police officers across the length and breadth of Western Australia are not lying when they say that they are under-resourced. Someone else might be lying when they say that police numbers are being increased, but police officers are not lying when they say that they are under-resourced, do not have the resources to do the job, have high levels of fatigue and sick leave and are exhausted. They do not want to do any more overtime; they need extra police to help manage the law-and-order crisis that is now emerging in this state.

We have seen the failure of this government's methamphetamine strategy. We have a meth crisis. The government went to the electorate during the election period prior to March 2017 and said that it would put in place a methamphetamine strategy that would start to provide solutions to the crisis that has gripped Western Australia. We have seen it get worse under the management of this government. We know it has got worse because the state's top cop, Commissioner of Police, Chris Dawson, has actually said to a parliamentary inquiry that the strategy has failed. The McGowan Labor government's strategy to sort out methamphetamine use and addiction in this state has failed, and it needs to go back to the drawing board and find some better solutions.

We know that meth is a major driver of violent crime in our community, and those violent crime statistics are the ones that have the community up in arms. We talked yesterday at length about the unprecedented summer of gun-related violence in Western Australia in suburbs like Watermans Bay. We have never heard of such a thing in Western Australia, but under the watch of this government with its under-resourcing of police, we are seeing an unprecedented rise in gun-related violence, methamphetamine-related violence and attacks on police officers and nurses, with no solutions from this state government. Its solution is to cut resources for police and ask them to work more overtime and work harder. That is its solution. It is not working. The community knows it, and we are listening to the community, which is why we are talking about it.

The other issue that we will raise is the savage cost-of-living increases that this government has put in place of \$850 a household at a time when wages growth is stagnant, household values are falling, a record number of households are in negative equity and mortgage stress—we are the worst state for it because of the sluggish economy that the Premier has no solution to stimulate—and people are worried about their finances and job security, with no pay rises in sight. What do we get from this government? We get savage increases in household fees and charges, particularly

the supply charge for electricity, which has unfairly impacted on seniors and the most vulnerable families in our community—the people on the lowest incomes who cannot even adjust their usage to cop the savage increase that has been inflicted on them by this government.

I turn to the housing crisis in this state. Western Australia has record levels of homelessness. We have a government that says it is focused on tourism, but the single biggest turn-off to tourists is our CBD. The state government has effectively been managing the CBD, the Perth city, for the last couple of years, because it has taken forever to sort out the issues with the council and to go back to elected representatives looking after our CBD. It is shameful that any visitor to Perth, Western Australia, would see the state of our CBD. It is absolutely shameful to be walking through the streets of Perth and tripping over people who have been sleeping in doorways, laneways and parks. There is the smell of urine in laneways. These are all the things that have happened with the demise of our CBD over the last couple of years while this Labor government has been in charge of controlling what happens in the CBD, but mismanaging it.

We have talked about the failure of this government to deliver on the economy and the jobs bonanza that it promised. I remember that in the lead-up to the last election we never saw the now Premier, Mark McGowan, in the frame without him carrying his little red book “WA Labor: Plan for Jobs”. Where are those jobs? It has failed. The jobs plan has failed. That is because of the government’s failure to manage the domestic economy. We are not the only ones saying this. The Chamber of Commerce and Industry of Western Australia’s chief economist, Aaron Morey, who was previously under the employ of the government bureaucracy working for the Treasurer, Hon Ben Wyatt, has said that the Western Australian economy is in survival mode. This individual had access to all of the economic and financial data available to the government—all of that data that has been telling the government that it needs to do something to stimulate the economy. He jumped out of that *Titanic* called the WA Treasury mismanagement system and went to CCIWA, and his very first media release said that the WA economy is in survival mode. It is in survival mode; that is why the jobs bonanza has not been delivered. We know it, and the community of Western Australia knows it. That is why we are talking about it and why we will be campaigning relentlessly on this issue over the next 12 months.

Treasury’s midyear review provides further proof that this government knows it has a problem, but it has no solution, because Treasury’s midyear review showed that the WA domestic economy went backwards by one per cent last year. The Premier’s response was to talk up the economy—to talk up the fact that it went backwards by one per cent! I mean, where is the good news in that and where is the solution? This is why people are angry and frustrated and why the Liberal Party and its members are so optimistic about our prospects in March 2021. This is why we have outstanding candidates, including outstanding women, wanting to stand for Liberal Party preselection. They now are in with a red-hot chance in March 2021 because of this government’s failure to deliver on its election commitments, and particularly its failure to deliver on the jobs bonanza that it promised.

I have the fortune of looking after an electorate that used to have at its heart one of the major employment centres for Western Australia, being the Osborne Park precinct. I drive through the Osborne Park precinct. I know many of the business owners there, and many of them are now out of business because of the problems with our economy. Every second warehouse has a “For Lease” sign on it. They have been trying to find tenants for two years, and the warehouses are now for lease or for sale. There are now more signs than ever in that former employment hub with the words “bank foreclosure” written on them, which is a lease or sale being run by a banking organisation because that poor business owner or poor landowner has had to go into insolvency or administration, or the business has gone bankrupt for whatever reason, and now the bank is taking charge of that devalued asset and flogging it off for whatever it can get. That is such a sad sight. I remember when Osborne Park used to attract premium rents. There used to be competition to take up tenancies there, and now it is like a ghost town and it is getting worse.

Part of the reason we are calling on the government to provide an economic stimulus for the state is that we know that if the economy is performing strongly, all boats float on a rising tide. If we can do something to kickstart the Western Australian economy, we will perhaps see some wages growth and house values rise. Perhaps then we will see people with more discretionary spend in their pockets after they have paid for the exorbitant cost-of-living and tax increases that this government has imposed, and that can flow into retail, hospitality and other areas of discretionary spend. The problem we have is that this Premier does not know the difference between economic management and financial management. This government is basically swimming in rivers of gold. The Morrison GST fix and the persistently high iron ore price that this government has enjoyed amount to an \$11 billion windfall. That is \$11 000 per Western Australian household. Are householders in Western Australia seeing any of the benefit of that windfall? No, they are seeing no benefit. All they are doing is hurting. The Premier refuses to deliver a broad-based stimulus package and is failing to stimulate impacts on government revenue streams—things like payroll tax revenue and stamp duty revenue. That all falls away if there is a sluggish economy that is shrinking by one per cent over a year. That is the consequence of it. We are going to keep the pressure on the Premier and the Treasurer to do something about the domestic economy, because that is the key thing. We need to have a strong domestic economy to be able to provide all of the services that the community needs—an increased police presence,

teachers in front of every classroom, and the high standard of health services we have grown accustomed to expecting here in Western Australia.

There is another area that the government has failed to deliver on. The Labor Party went to the last election promising a massive infrastructure program that was going to deliver a jobs bonanza. We have seen inertia. Watching the Metronet project is like watching grass grow. The only announcement we have heard about Metronet is the rebadged Auburn Grove train station, which was built by the former Barnett government. We have seen cost blowouts and delays. The Forrestfield–Airport Link, which was a project started under the former government, has been pushed out by another two years. It has been rebadged as a Metronet project, but not one centimetre of rail has been laid—not one centimetre.

I turn to some of the other projects. The Thornlie–Cockburn rail line project is \$200 million over budget and two years behind. I turn to the Yanchep rail project, which is once again another imaginary rail infrastructure project that is yet to be delivered. The Yanchep project is now \$150 million over budget. The Labor Party went to the election saying it would cost \$386 million to build the railway line to Yanchep, but it has now come in at \$531.7 million, which is a 37 per cent cost blowout, and once again it is two years behind. The people we are speaking to in the construction sector are telling us that it is unlikely that stage 1 of Metronet will be delivered by 2026—that is 2026, members. These rail projects were supposed to be open in 2019–20, yet construction has not even started on a significant proportion of them. It is the biggest farce that I have ever seen. This government puts spin into Metronet announcements, yet it cannot stand on one patch of soil in Western Australia and point to even a centimetre of railway line that it has laid. It cannot do it. The spin machine produces media release after media release ad nauseam, and a plethora of ministers in fluoro vests and hard hats. God knows how many spades they have bought. They are turning the sod and turning the sod. They just go around digging up dirt, but they are not producing anything. The Metronet money is in the bank, which is making the budget and the bottom line look better, but it cannot hide that this government has increased net debt from \$32 billion to \$39 billion in just three short years. That is a 25 per cent increase in net debt. Where did that \$7 billion go? I think it has gone into purchasing spades and shovels to turn sods of soil on projects that are not materialising. That is why the community is so frustrated. It thought that the Metronet projects would come online and there would be construction jobs and people flocking from the east coast to help build our major infrastructure projects. Instead, it is crickets! There are no jobs and no projects. Nothing is being built. The money from the Morrison government has been banked. The state government has not put its funding aside for it, mind you. It has only the commonwealth funding in the budget figures to try to make them look a little better than they are. But nothing is being built.

Let us look at other failures of this government. I have it on good authority from people within the industry that the government cannot deliver these projects because of ministerial interference in the departments. The government said it would shed 3 000 staff as part of a restructuring of the public service. The government promised \$1 billion of savings from shedding those 3 000 bureaucrats. Those redundancies cost taxpayers \$300 million. We know that some of those people have been brought back in as contractors. If we look at the budget figures, we can see that we have not shed 3 000 bureaucrats; we have gained 1 000 bureaucrats. Perhaps that is where some of the \$7 billion increase in net debt has gone—to pay for those additional 1 000 bureaucrats. What are those bureaucrats delivering? They are not able to deliver anything either. Has anyone driven along Kwinana Freeway and Mitchell Freeway recently? How long does it take to widen a freeway? Oh my goodness me! I drive through freeway congestion every single day. It has taken over three years to widen a freeway by just one lane—and it is still going. Whenever we drive past, workers are occasionally on site, but I have been told by people in Main Roads that those projects are not being delivered on time and there are embarrassing mistakes because of ministerial interference and micromanaging. Imagine doing work on a freeway and leaving wet concrete! Imagine not being able to open the road during peak hour or warn motorists because of a mistake caused by the inability of these government agencies to do their jobs. That is what those people are saying.

Everybody in the southern suburbs is absolutely furious about the congestion on that freeway because they deal with it every day. God knows how many hours of their lives they have wasted sitting in their motor vehicles trying to get through those congestion points. That brings me to another failure of this government—that is, the failure to have a proper alternative to the Roe 8 and Roe 9 projects for those commuters in south metro. This government tore up the contract for Roe 8 and Roe 9. It was blatant about it. In fact, its members were cheering when they tore up the contract. Goodness knows why they would approach it in that way. The government has failed to provide a solution for that very much-needed piece of road infrastructure. All those commuters in the south metropolitan electorates of Riverton, Bicton, Bateman, Jandakot —

**Mr D.C. Nalder:** Willagee.

**Mrs L.M. HARVEY:** And Willagee. All the people who commute from those electorates get stuck in traffic congestion every day. That is time away from their families and fuel being wasted—fuel being burnt and going up into the atmosphere—while they sit in a parking lot that used to be called a freeway. That is the problem we have

in south metro and why Roe 8 and Roe 9 are critical pieces of road infrastructure that this government needs to backflip on and build. If the government does not do it, we will do it when we win in March 2021.

Another issue I would like to raise is the performance of ministers in this government. The Minister for Energy has presided over a \$650 million writedown, which is the biggest writedown of a government utility in the state's history, with no solution to it. We have seen increases in electricity prices and the supply charge. That has disproportionately hurt small businesses. The increases and changes to the structure of energy pricing in regional Western Australia mean that many small businesses are now being slugged by a higher rate for their energy usage than they used to be, because the government is desperate to get money into Horizon Power and Synergy to mitigate that \$650 million loss. No solution for rising energy prices has been put forward by the government—nothing! A potential restructure of the energy sector might do something to alleviate the problem or provide some competition in the market, but no coherent energy policy has come out of this government. That is the minister's failure. Let us look at some other areas. Do members remember the Albany wave farm debacle? Goodness knows how many millions of dollars of taxpayer money was lost on that project.

The failed former Minister for Fisheries, the number one flag carrier for the socialist democratic Labor Party in Western Australia, tried to nationalise the crayfish industry. When that plan went down like the proverbial lead balloon, what was his response? He became petulant and arrogant, and refused to speak to any cray fishermen who criticised him for his failed attempt to nationalise the rock lobster fishery. We also heard his rhetoric on shark shields. Thank goodness we now have a sensible Minister for Fisheries. I will say that I believe the member for Willagee is a very sensible Minister for Fisheries. He made a ministerial statement today on his response to the very tragic shark attack in Esperance that resulted in loss of life. What did he do? He did what any responsible fisheries minister would do—he went down there and spoke to the families and first responders. When he talked about the government's response and shark shields, he did not, unlike the former Minister for Fisheries, say that shark shields would save the lives of people who used them. The new Minister for Fisheries knows that shark shields work only nine out of 10 times. I would not want to be wearing a shark shield on my ankle on the one time out of 10 the shark is not deterred. We need that kind of commentary in the community about government initiatives that could potentially put the community at risk. I am very pleased that the former Minister for Fisheries has been removed from that portfolio. He created chaos and caused uncertainty. He created sovereign risk in what had been a very well-managed fishery. Thankfully, we now have a new Minister for Fisheries, who can perhaps help those commercial fishermen deal with the disaster to their year caused by the coronavirus and the changes China has made to the travel arrangements of individuals and the management of their markets. They are in a time of crisis and need a minister who understands business to help get them through it.

Let us also look at the performance of the Minister for Water. The Economic Regulation Authority said that the Water Corporation is overcharging Western Australian households by \$400 a year. That is a water tax. Charges for water and power run by government entities are supposed to be a cost-recovery process. The ERA said that the water authority is over-recovering \$400 a year from every household. The government could cut its mean-spirited cost-of-living increases in one fell swoop by giving that \$400 back to the Western Australian families it has robbed.

We will campaign on the water tax over the next year because we know that the former Minister for Fisheries is not performing very well as the Minister for Water. We know that because the water authority was charging small to medium businesses extra just to get paid on time, and the minister did not even know that that was its policy. The minister did not even know that the policy was to charge extra to get a bill paid on time. The Minister for Water can fix what the water authority charges people. Struggling householders cannot pay their bills. The government has jacked up the price of water, saying that it is going to tax the rich: "All those people in the western suburbs with their manicured lawns have to pay more for their water so we are going to charge the people who use more water." Guess who that has hit, members.

**Dr D.J. Honey:** Large families.

**Mrs L.M. HARVEY:** It has hit large families. It has hit families in the suburbs of Ellenbrook, Baldvis, Byford and Canning Vale, which are hardly the western suburbs. Do members know what happens when families who are struggling to pay their bills end up going into a payment arrangement or just cannot pay? They are charged 11.7 per cent interest. We need a banking royal commission to look into that. The Reserve Bank of Australia cash rate is 0.75 per cent, WA Treasury's borrowing rate is three per cent, but the Water Corporation charges 11.7 per cent to poor people who cannot pay their bills!

**Mr D.J. Kelly:** What did they charge when you were in government?

**Mrs L.M. HARVEY:** The Minister for Water is in his fourth year of government. He should keep looking in the rear-vision mirror, because that will help us win. Keep looking backwards. We are looking forwards.

I guess those cost-of-living increases, including the water authority charging larger families more, will mean that people will need to wash less under the watch of this government. Electricity price increases and supply charge increases have come directly out of the pockets of seniors and the vulnerable—the people who cannot adjust their power usage to mitigate those increases. At the same time, in one fell, mean-spirited blow, the government slashed the rebates available to seniors, and hardship payments. The government not only did that, but also made it humiliating for people to apply for hardship grants. They have to be on their knees before they can apply. There is no helping hand for households to get through the cash flow crisis that the government has caused because of its mismanagement of the economy and its cost-of-living increases. People have to be on their knees and humiliated before they can get help. My shadow minister for homelessness, the member for Carine, has been out there talking to the social services sector. There are 500 000 families in Western Australia—500 000 individuals—being helped by the social services sector. People are getting handouts for food, travel, fuel and the costs of living because they cannot pay their bills, and they cannot get a job because this government has failed to deliver the jobs bonanza.

Small business owners are trapped in the housing crisis that is gripping this state. There are about one million home owners in Western Australia and, on average, they have had \$100 000 wiped off the value of their homes. That is \$100 billion that has been wiped off the balance sheet of Western Australian asset ownership. If we look at CoreLogic data, we see that house prices are down 5.7 per cent in the last 12 months. They have fallen 21.3 per cent since their peak and now the median house price in Perth is \$40 000 less than the median house price in Hobart. Western Australia is now below Tasmania when it comes to the median house price. Do members know why that is? It is because Tasmania's economy is ticking along. The Premier's very first act when he became Premier was to remove WA's regional migration status. He did that at midnight on the night he was elected. He wrote to the Prime Minister and said, "Take Western Australia out of the regional migration scheme." Do members know what happened then? Victoria, Tasmania, South Australia, New South Wales and Queensland all rubbed their hands together and said, "Great! All those international students who used to go to Western Australia, we'll attract them over to us", and that is exactly what happened. The Tasmanian economy is booming because it has all of our international students. All of those international students, and their family members who visit, have now gone to Tasmania. They are now buying houses in Tasmania that are, on average, \$40 000 more than they would have to pay in Western Australia, but they are not coming back to Western Australia for cheap housing prices because our economy is stuffed and the government is doing nothing about it! Well done, Hobart. Well done to the Tasmanian government. We have such a lot of catching up to do.

These are the issues that people are raising with us. We have a housing trap, with so many households in mortgage stress and with negative equity. The houses of many of those people in small to medium family businesses is linked in as part of a guarantee for their commercial lease, retail lease or retail tenancy—their business liabilities. All those businesses that have had to close their doors and declare themselves insolvent are losing their houses as well, because there is no ability to refinance their houses because the value in them has gone. This is the problem we have in Western Australia. The government has been in control for over three years now and it has offered no solutions. There is no hope in sight and no jobs bonanza to provide some kind of solace to the householders of Western Australia who desperately need action by this government to improve the state of our economy.

I turn to law and order. We spent some time on this topic yesterday but I need to speak a bit more about it. I was sitting on the Treasury bench as the police minister when there was an incident in Northbridge—members might remember it—involving an altercation or a melee. The police got there within five minutes and it was all resolved. At the time, we heard the most irresponsible hyperbole by the now Premier, who compared the streets of Northbridge to those of Los Angeles or Detroit. It was an embarrassing overreach. In the three years this government has been in charge, with its woeful underfunding of police resources, violent crime in Northbridge has risen by 31 per cent and violent assaults in Northbridge are up 39 per cent. The minister stood up yesterday to defend this and criticised the former government—the former government that added 1 050 police and police auxiliary officers to help deal with crime in this state. The minister talks about the meth border force, but where is it? Where is the meth border force? Has anyone seen a photograph of the meth border force from the government's spin machine? I have not seen one. Perhaps the Minister for Police is not necessarily in the Premier's favour and perhaps his spin machine has not been told to support the Minister for Police and the meth border force. But we have not seen it. We do not think it exists, and we certainly know from the police annual report that fewer police are employed by the WA Police Force now than when the Labor government came into office. The figures do not lie. The annual reports do not lie. We know there are fewer police and we know that police are under-resourced, and that is why law and order issues and crime are out of control. When we have a look at the Department of Justice figures, we see that the prisoner count has remained steady at around 6 800, but the number of people being managed in the community has risen by 650 to 5 800. We now have 5 800 offenders being managed in the community—an increase of 13 per cent—because no beds are left in the prisons because they have not been resourced either. That is a significant problem. Any police officer would tell us that the people who are out on parole or bail are the problem children, and if they

know they are coming to court and are likely to go to prison for a period, they are the ones who will offend. If we do not have enough police officers, curfew checks cannot be done and those individuals will be out and about, perpetrating crime in our communities and creating more victims. That is what we are experiencing as a community because of the 13 per cent increase in the number of people being mismanaged in the community under this government's watch.

We know from talking to people in the community that the Western Australian community feels like it has been sold out by this Labor government. I think there was no better demonstration of that than around the last federal election. We had the Minister for Housing standing beside Bill Shorten. We had the Premier, Mark McGowan, standing beside Bill Shorten, the federal Leader of the Labor Party, during the last federal election campaign, and they were talking about how fantastic it was that housing values in Western Australia had dropped. They were talking about how fantastic it would be to see those values drop further by ending negative gearing, making changes to capital gains tax and taxing the wealthy, again—the democratic socialist Labor Party of Western Australia. But the people of Western Australia spoke at that last election. They were disgusted at the Minister for Housing and the Premier standing beside Bill Shorten and saying that he was going to be good for Western Australia. They have not forgotten, and we will remind them of that. We will remind them of the fact that every Western Australian householder feels like they are worse off now than they were two and a half to three years ago. Every person in WA feels like they have gone backwards under this government, and that is because they have. That is because WA Labor has turned its back on hardworking Western Australians. It has turned its back on the people it has always supported.

We talk to members of the union movement, who are now calling us. They are disgruntled. They feel like this government has turned its back on them and is not listening to them, particularly some of those union members who desperately want Roe 8 and Roe 9 because they sit in their trucks, stopping and starting at every single set of traffic lights, with commuter vehicles darting in front of them as they try to get through the congestion points. They are the people who want Roe 8 and Roe 9 because it will save them time, it will save them money and it will make their day safer. It will improve road safety. Those people know that WA Labor has turned its back on them. It has turned its back on the grassroots and the hardworking Western Australians who looked to it to provide some hope. These guys were elected on the basis that they had solutions to the problems that Western Australians were facing in March 2017. They were promised a jobs bonanza. They were promised that the economy would be managed more effectively. They were promised improvements in law and order and improvements in the way that methamphetamine use is managed and reduced in Western Australia. They were promised that there would be improvements in everything. Everything was going to be better under WA Labor. We have found that everything is worse.

The not-for-profit sector is on its knees. It is trying to cope with the Fair Work Commission's equal remuneration conditions while being denied an increase in funding by this government to provide services to an ever-increasing cohort of struggling Western Australians. Half a million people need help every week to put food on the table, and contracts are being cut to the services that provide the food, fuel vouchers or whatever it might be to people in the community. They are not able to expand their services and they are effectively having to rationalise them. That is why we now see sectors like the Western Australian Council of Social Service, for example, rallying against the actions of this Labor government. It has never been friends with the Liberal Party.

**Mr A. Krsticevic:** Running campaigns.

**Mrs L.M. HARVEY:** But it is running campaigns against this Labor government because it knows the hurt in the community and the fact that this government is doing nothing to address it. I will make my concluding remarks; members will probably be quite pleased to hear that.

As we embark on the 395 days in the countdown to the next election, the people of Western Australia can be sure that we will be holding this lacklustre McGowan Labor government to account. We will be holding it to account for its failure to manage the economy. What we, as Liberals, will deliver in March 2021 is a stronger economy. As I said earlier, all boats float on a rising tide, and a stronger economy is the best solution to improve housing values, to bring wages growth, and to help families cope with the cost-of-living increases that have been imposed by this mean-spirited Labor government. We know that a stronger economy is the answer to that. A stronger economy provides jobs, and that is what this government has failed to do. It has failed to manage the economy to stimulate jobs growth. It has failed to deliver on its infrastructure projects to stimulate jobs growth. It has failed to look after the most vulnerable people in our community—failure after failure after failure.

As we head to the next election, we will be talking about our plans to deliver a stronger economy and we will be talking about our plans to deliver infrastructure projects. People in Western Australia know that Liberals build things. They can drive around metropolitan and regional Western Australia and they can point to projects like Elizabeth Quay, the stadium, Busselton Health Campus, Yagan Square and the Perth underground bus station. Every single Western Australian can drive around the state and point to infrastructure projects and say, "The Liberals

built that. The Liberals build things.” People are driving around metropolitan Perth, and do members know what they are saying about WA Labor? It has caused traffic congestion, it can dig up sods of soil and it can put out media releases. That is what it can deliver—media releases. But we will deliver a stronger economy. We will deliver infrastructure projects, and we have proven that we can do it. We can do it effectively. We can deliver projects and we can bring them in on budget and on time. We have proven that we can do that.

We have proven that we can deliver. We know that with a stronger economy, we can deliver more police resources. We know that with a stronger economy, we can deliver schools, hospitals and solutions, and fund the services that are needed to provide assistance for those families struggling with family members who are addicted to methamphetamine, and everything that comes with that. We know that with a stronger economy, we can deliver a solution for the homelessness crisis in the state. There are 600 homeless people sleeping in the CBD. It is a Western Australian shame that it has come to that in 2020. It is a shame. We will deliver a stronger economy. We will deliver jobs. We will deliver improved house values, because a stronger economy will provide for that, and we will deliver a safer community. To that end, we will also prove that the McGowan Labor government has failed to deliver those things that it promised when it was elected.

*Amendment to Question*

**Mrs L.M. HARVEY:** Therefore, I move —

That the following words be added after “noted” —

and this house condemns the McGowan Labor government for damaging the economy and failing to deliver a jobs bonanza, as promised

**MR D.C. NALDER (Bateman)** [1.10 pm]: I stand to speak to this amendment and reinforce the comments the Leader of the Opposition made, particularly the Premier’s disregard for the domestic economy in the Premier’s Statement yesterday. He talked up how things are fantastic and have recovered. In the last financial report, we saw that the domestic economy contracted by one per cent last year. It actually shrunk. Whilst an increase is forecast this year, in the mid-year review, the government reduced that increase by 25 per cent. What commentary did we get from the Premier about that? He said that coronavirus was a risk to the economy. The reduction by 25 per cent to this year’s forecast increase occurred before coronavirus started. What is the basis for the reduction of 25 per cent in the domestic economy when we know that it declined by one per cent in the last financial year? The Premier is saying, “Don’t look too closely but everything’s fantastic.” The reality is that the government is downgrading its own forecast and creating spin, as the Leader of the Opposition pointed out. There is a massive amount of spin by the government to say, “Things are good, but don’t look too closely.” We know that things are not great. The government is trying to push the fault onto everyone else by saying it has nothing to do with the government and is totally out of its control. The government has said that coronavirus will adversely impact the iron ore price. Last week, the Premier was reported in the news talking about the risk to the iron ore price because of coronavirus. Guess what? It is sitting around \$US80, which is \$US40 higher than the lows experienced in 2015–16. It is now \$US30 higher than the average price in 2015–16. We know from Treasury reports that every \$US1 increase adds \$80 million to the budget’s bottom line. The Premier is crying foul that there is a real risk to Western Australia’s financials because of coronavirus yet the iron ore price is still higher than it was in 2015–16. It is averaging over \$US90 this year. That is \$50 higher than the lows experienced in December 2015.

I will look at the policies of the government. It tells us to look at all the hard work it has done for Western Australia. The impact on the domestic economy can be directly attributed to this government’s policies. Part of the reason for that is that the government fails to understand the second, third and fourth order consequences of its policy decisions. Let us have a close look at them. The government changed the regional migration status because it went on a political rant at the election to say that it would stop foreigners from taking our kids’ jobs. That was the Labor Party’s political position so it changed the regional migration status. Guess what the change was to the number of people who migrated to Western Australia? There was no change. However, we saw a massive impact on international students, as the Leader of the Opposition pointed out. The market share of international students in Western Australia dropped by two per cent from 7.5 per cent to 5.5 per cent. The market for international students is the fourth-largest industry in Western Australia, contributing \$37.5 billion to the national economy last year. It is the fourth-largest industry yet we are dropping our market share from 7.5 per cent to 5.5 per cent when we have a population share of 10.3 per cent. We should try to grow our market share to reflect our population share. The drop of two per cent was equivalent to ripping \$750 million a year out of the Western Australian domestic economy. That was directly attributed to the policy decision by this government that was based purely on politics without understanding the economic consequences for Western Australia. That policy contributed to a further contraction of the economy.

The second element I will refer to is household charges. We have seen household charges increase by \$850 per annum. We have to look beneath that to understand the impact it is having on the domestic economy. Electricity

prices for a lot of households, particularly single pensioners, increased by more than 30 per cent over two years. The average increase for every other household was 19 per cent. We know that 20 000 small businesses had power increases of over 40 per cent. Guess what? When salaries do not increase in a contracting domestic economy, things get tough for businesses and households. Increasing charges by greater than the amount wages go up removes discretionary expenditure and that flows through to the retail sector. What has happened to the retail sector? It has been contracting. The government likes to say, "Don't look too closely. Things are great in Western Australia." That is because of the high iron ore prices, which is great for the state's finances, but Western Australia's domestic economy is struggling.

The government introduced the foreign buyers tax. I stood in the chamber and looked at the Treasurer when I replied to the budget speech and told the Treasurer that we did not disagree in principle with what the government was trying to do but that it should not do it now because it was the wrong time to do it. The housing industry and domestic economy are on their knees. We need to underpin the housing industry at this time. I said this would further reduce demand on housing stock and drive down housing prices and was accused of putting the interests of foreign buyers in front of the interests of Western Australians. However, we saw the market continue to decline, and decline dramatically. That was a direct impact of these policy decisions by the government.

The unemployment rate continues to lag behind the national average. Western Australia's seasonally adjusted unemployment rate is 5.4 per cent, compared with 5.1 per cent nationally. The government wants to take credit for the 51 000 jobs created over the last three years, but we know the iron ore price and other things have driven increased exploration and activity in the mining sector. We know that 63 per cent of the 51 000 jobs created are part-time jobs. Underemployment is a big issue in our economy, and I will point out why. A report from Digital Finance Analytics shows that over 150 000 households are under mortgage stress. It is at an all-time record level. We have not seen it this high in the last 20 years, and it escalated rapidly in 2017. Surprise, surprise! The report shows that over 150 000 households, or 33 per cent of people with a mortgage, are under mortgage stress. What has this government done to acknowledge that? It tells us that everything is great in the economy and that the government has improved it, but do not look too closely. A CommSec report shows that mortgage values have increased by 8.5 per cent in the last 12 months. If housing prices are going down, why on earth would mortgage values be going up? This requires further analysis.

If we look at the definition of "mortgage stress", we see that in simplistic terms it is that people's expenditure is greater than their income. There are 150 000 households in Western Australia in which the monthly expenditure is greater than the income they are generating. What are they doing? They are using the equity in their houses to borrow more. That 8.5 per cent in the value of the mortgage is in existing dwellings. We are seeing people needing to borrow to make ends meet. This government came in and excessively whacked up household charges when Western Australians could not afford it. The government did that for political reasons only. We saw this play out because it is in the government's rhetoric and spin. We saw a rapid increase in household fees and charges in the government's first two years and then a moderate increase in its third year. The government is saying, "This is the lowest increase in 13 years, but don't look at the last two because we know it is compounded." The government is now starting to talk about freezing those fees and charges so it can say, "Aren't we a good government because we've fixed the financials."

I can talk about that another time but I will talk now about other elements of the economy. On top of the 150 000 households under mortgage stress, 21 700 households had their power disconnected. The member for Carine yesterday explained what happened in the hardship utility grant scheme. The Treasurer said that because people were rorting the hardship utility grant scheme program, the government would change it, but really the government was distorting how many people were crying out for help. This is a real problem. As a consequence, the number of people whose power was disconnected doubled from 10 000 a year to 20 000 a year. In the last year, that number went up to 21 700. It is still climbing. Things are not right, Premier; things are not all rosy in Western Australia. People are still struggling, but the government is not acknowledging it. We will continue to push this issue all the way.

The other impact on the domestic economy that comes off the back of this type of activity is the number of houses in Western Australia in negative equity. According to the Real Estate Institute of Western Australia, 18 per cent of households, or nearly one in five, are in negative equity in Western Australia. That is 125 000 households. On top of that, 12 of the top 20 suburbs for mortgage default in Australia are in Western Australia. These statistics are really important. The government should hang its head in shame. I have not heard the Premier or the government acknowledge the issues that are making things tough for ordinary Western Australians. There is not enough acknowledgement of those issues or action being taken on them by this government.

I will briefly go through what the government has done. Last year, the government backflipped on the regional migration status for Western Australia. The government finally acknowledged the problem, but what it did not understand, according to the universities, is that the primary intake for overseas students is in April. That policy backflip to go back to a regional status, which is what we called for from the outset, was done too late for this



year and will not benefit the domestic economy at this time; we will feel it next year. What will the Premier do for people today?

The government also said that it would act on payroll tax. It has claimed that this will have huge economic benefits for Western Australia. I will look at that for a moment. The benefit that will be passed back to small business is costed at \$170 million over the forward estimates. According to the midyear review, the forecast increase over the last six months in payroll tax over the forward estimates is \$170 million. According to the government's modelling, it will not actually cost the state anything. The government has not actually been generous here; it has forecast that it will accumulate more. We want to see some of that flow through so that some businesses will benefit, but will they actually employ people? The maximum they will receive is about \$9 000 or \$11 000 a year. I am not sure how many people could be employed for \$9 000 or \$11 000. It may provide more part-time jobs, but we have an underlying, fundamental problem in that we do not have enough full-time employment. We know that the growth in payroll tax forecast in the budget over the forward estimates will be about 16 times higher than the amount the government will give back to small business, assuming that the state grows according to this forecast. It is going to cost \$170 million for this change in rebate for payroll tax when the government is expecting the increased take in payroll tax to be multiple times that amount. We can hardly say that this will be an economic driver. I would say that it is purely a political driver that the government is using to try to appease a certain sector. There will be very little flowthrough benefit. I do not begrudge some going back to small business—11 000 small businesses will benefit from this in some way, shape or form. I am happy that they will get something back, particularly given the large number of small businesses facing an increase in power prices of up to 40 per cent. They should not have been confronted with a 40 per cent increase in power prices in the first place. However, this package will not be the economic saviour of Western Australia.

The third backflip, of sorts, was with the foreign buyers tax. The government is still saying that it is collecting this much revenue from the foreign buyers tax and that it is a great policy for Western Australia, but it fails to add that it is providing a 75 per cent rebate on not only the foreign buyers tax but also stamp duty for foreign buyers. When the two rebates for foreign buyers purchasing apartments up to the value of \$720 000 are combined, they will be getting rebates greater than the foreign buyers tax was going to bring in in the first place. The government is giving all the foreign buyers tax back to buyers of apartments up to the value of \$720 000. We know that the median price of apartments in Western Australia is around \$360 000 or \$370 000. For apartments up to double the value of the median apartment price in Western Australia, foreign buyers will get back greater funds in rebates than the foreign buyers tax was ever going to generate.

The government has backflipped on these policies while talking about how it will improve the economy and saying that it has got things right. We can go a bit further. We know that more than 2 000 apartments were either under construction or completed at the time this rebate was announced, but they do not have access to this rebate. They have become stranded assets. Their price has to be heavily discounted; otherwise, they cannot be sold. The government has done that to the existing market. I think this policy was developed on the run and was not carefully thought through, and it has had adverse consequences for our economy.

I think the amendment to the question moved by the Leader of the Opposition is entirely appropriate. Despite what the Premier would like us to believe, the economy is not successful at this point. Any future negative results cannot be attributed purely to the coronavirus. That is where the Premier was trying to position things yesterday—that any adverse economic commentary in the future will be because of the coronavirus, when we know that there are already adverse issues.

I will reiterate the main points. A record level of Western Australians are suffering mortgage stress—over 150 000 households in Western Australia. Members should look at how that has changed. I saw a graph today of what has happened over the last 20 years, and it showed that there was a rapid increase from 2017. I will talk more about that in the future. Last year, 21 700 households had their power disconnected—that is more than double the number disconnected two years earlier. The government played around with the hardship utility grant scheme that the former government administered to support struggling families. The former government made sure that mechanisms were in place so that people could keep the lights on and their houses warm in the middle of winter. This government was absolutely heartless when it attacked the hardship utility grant scheme. Government members stood in here and accused people of rorting the system. Since then, the number of households whose power has been disconnected has more than doubled. Were those people rorting the system? Why were hardship utility grants not still available for those people who have now had their power disconnected? Government members talk about us being heartless, but that is heartless. There are 125 000 homes in Western Australia in negative equity. That is a fundamental problem, because people's sense of wealth and wellbeing stems from their net wealth position, which in Australia is formed around their home. The government's policies have adversely impacted the value of their homes, which has adversely affected their net wealth. There is no question that the people of Western Australia are financially worse off under this

government. That has happened over the last three years. That is the record of the McGowan–Wyatt Labor government. The government has not understood the consequences of its policy decisions, which have had adverse impacts on our economy. Therefore, the amendment moved by the Leader of the Opposition, which states that this house condemns the McGowan Labor government for damaging the economy and failing to deliver a jobs bonanza as promised, is totally justified.

**MR B.S. WYATT (Victoria Park — Treasurer)** [1.29 pm]: I thought we might have had another speaker from the opposition, because not one of them has yet dealt with the actual amendment that states —

and this house condemns the McGowan Labor government for damaging the economy and failing to deliver a jobs bonanza ...

I am kind of curious—indeed, delighted—that the opposition would dare wander into this territory, because I want to spend some time reminding us all—I apologise, I was expecting another speaker; I am just finishing off this mint.

**The DEPUTY SPEAKER:** Would you like me to move another motion?

**Mr B.S. WYATT:** I am interested in, and wrote down, the shadow Treasurer saying, “Statistics that you should hang your head in shame.” I am going to go through a few statistics on the economy and the jobs market, as it was in the final years of the Barnett Liberal–National government, and as I became Treasurer.

**Mr A. Krsticevic:** That was more than three years ago.

**Mr B.S. WYATT:** I know the member does not like that reflection, but we have to know where we have come from to know where we are. That is the reality. For example, here are some statistics that the Liberal Party still has not apologised for. Only Hon Dr Steve Thomas in the other place has apologised for these. When I became Treasurer, the state was \$43 billion in debt. I notice the Leader of the Opposition referenced an apparent windfall of \$11 000 per house that we have somehow achieved, but she did not mention the \$50 000 per house in net debt that she left to the people of Western Australia. She did not reference, and neither did the shadow Treasurer, the largest operating deficits in history. Not only am I paying for the infrastructure delivered by this government, but I am also paying for the infrastructure delivered by the former government. That is an effort. But perhaps the most striking statistic, or striking legacy, of the former Liberal–National government was that the only recession on record in Western Australia happened in its final year in government. I find it interesting that that recession was not referenced by either the Leader of the Opposition or the member for Bateman in an amendment that apparently relates to the economy, yet something as stark as the only economic recession on record delivered by the Liberal–National government should have got some mention. That is, again, because I noticed that in the last little while the opposition has stumbled across the state final demand data, which in itself is interesting because at no point during the second term of the former government did the domestic economy—state final demand—grow. I have searched in *Hansard* for the concerns of the members for Scarborough and Bateman, when they sat on this side of the house, about state final demand. Not once was it mentioned. At a time, in 2013–14, the domestic economy was contracting at 1.3 per cent. In 2014–15, it was 2.3 per cent; in 2015–16, 4.8 per cent; and in 2016–17, again, the year of the only recession on record, a staggering 7.2 per cent. During the last four years of the former government, the domestic economy contracted by 15 per cent, or some \$35 billion. That was the scenario when I became Treasurer. The economic wreckage left after the single largest commodities boom in history is what the Liberal Party did.

If members opposite want to talk about economics and the state of the economy, bring it on! This is a conversation I am desperate to have every day until election day. One thing I know is that the record of the Liberal Party is burnt in the minds of every Western Australian. They know that the Liberal Party destroyed the economy and the state’s finances, and they know the extraordinary effort that the government and Western Australians have gone to to turn this around. It takes time and effort. As I have said many a time, it will be frustrating that economic data will move around, but there is no doubt that all the economic data is better now than it was when I became Treasurer. The opposition—the member for Bateman, in particular—complained about property price decline. But again, 60 per cent of that occurred while he sat on this side of the chamber. When I google “negative equity member for Bateman” for the time when he was in government, how many times do I find it? Zero.

**Mr A. Krsticevic:** Because you never talked about it.

**Mr B.S. WYATT:** I will tell the member what I talked about at great length: what the previous government was doing to the economy. If the member searches in *Hansard* for “member for Victoria Park state final demand” and “house prices”, he will find a few hits. It is easier when members are in the cheap seats, but when they sat over here and had the opportunity to do things, they were a woeful government, particularly in that second term. That second term was diabolical. The moment the Leader of the Opposition became Deputy Premier, the place fell apart, economically and fiscally, let alone the Liberal–National war that went on for most of the second term. It was diabolical.

Let us talk about jobs because I am interested in this as well. What is crystal clear, going back as far as when Geoff Gallop became Premier in 2001, is that jobs are created under Labor governments and they are lost under Liberal governments. That is now a 20-year fact in Western Australia. The Labor Party drives down the unemployment rate, and the Liberal Party brings it back up. I remind everybody again, because it is quite amazing if we think about it, that when Colin Barnett became Premier in 2008, he inherited an unemployment rate of 2.9 per cent. Not only did the Liberal Party inherit an unemployment rate of 2.9 per cent, but it also inherited the single largest commodity boom in the history of the state, and left me with an economic recession and an unemployment rate of 6.9 per cent. It drove that unemployment rate from 2.9 per cent to 6.9 per cent. At no point in that diabolical second term of the former Liberal–National government did it create jobs. None. It shed jobs out of the economy at a striking rate. When we came into government, turning that around took some effort, but it has been turned around. Instead of losing tens of thousands of jobs out of the economy, as the Liberal Party did in that second term, we have now created 51 000 jobs. That is awkward for the Liberal Party, so now the member for Bateman is critiquing the jobs. The jobs are not good enough: “They are all public service jobs; they are all mining jobs.” I cannot quite draw a bead on what his exact line is, other than that jobs created under a Labor government are apparently bad jobs.

**Mr A. Krsticevic:** Part-time or full-time jobs?

**Mr B.S. WYATT:** I will take that interjection from the member for Carine, because at the time I became Treasurer, full-time jobs were declining at more than four per cent, in annual terms. I do not think we could find a point when full-time jobs were being shed at such a rate. That is what the former Liberal government did. Regardless of the nature of the job, full or part time, the Liberal government hated them and got rid of them as fast as it could. That was its plan. I cannot help, by way of an aside, but comment on the remarks made earlier in that incoherent speech from the Leader of the Opposition.

**Mr A. Krsticevic:** You weren’t even here!

**Mr B.S. WYATT:** We do not need to be here to understand it is incoherent.

She complained that we have a voluntary redundancy program for 3 000 public servants and that the number of public servants has gone up. I think she used a figure of 1 000 or 2 000. We never had a cap, so clearly when we had a voluntary redundancy program, there would have been 3 000 more. It is the same reason as when the Liberal Party, during its time in government, had a range of redundancy programs—about 3 500 people all up—but the public sector rose by 12 000 people. No-one is freezing—and we have never said we were freezing—the public sector, but we took the opportunity of what was the biggest reform of the public sector, certainly in my lifetime, to have a voluntary redundancy program. It has been successful; there is no doubt about that.

As I was saying, Geoff Gallop and Alan Carpenter gave Colin Barnett and the Liberal Party an unemployment rate of 2.9 per cent. The Barnett government drove that up to 6.4 per cent. We have got that down to 5.4 per cent. I agree that that is too high, and that is why we have set ourselves the target of creating 150 000 jobs, which, I note, the opposition criticises furiously. I find it stunning that a government that sets itself the target of creating jobs for its citizens is critiqued for doing that; it is bizarre.

**Mr D.C. Nalder:** That is 50 000 less than Treasury forecast if you did nothing.

**Mr B.S. WYATT:** Again, the member is plainly wrong. The economic work of the opposition leaves a lot to be desired. I know the member for Bateman understands; he is just trying to construct an argument to bolster the Leader of the Opposition, who does not understand. I think we both know that. But 51 000 jobs have been created under this government and we want to create more. It is our number one priority. I suspect employment will continue to grow. We certainly expect employment to grow over the course of the coming 12 months, but, as I said, when a government deliberately destroys an economy—like the Liberal Party did—and those sorts of jobs are lost, it takes some time to turn it around.

Underemployment, again, was mentioned by the Leader of the Opposition. The peak of underemployment at 10.7 per cent was under the former government, but it is on its way down. It is taking a lot longer than I would like to see; nonetheless, it is on its way down. I want to make the point, Madam Deputy Speaker, that during the diabolical last term of the Liberal Party the number of people underemployed increased by 80 per cent. Not only did the former government lose tens of thousands of jobs, but the number of people underemployed increased by 80 per cent, from about 80 000 to nearly 150 000 people. That is what the Liberal Party did. The underemployment figure is on the way down, but I would like to see it reduce far quicker than it has been; nonetheless, it is going in a much better direction than it certainly was when the Liberals were in government.

Youth unemployment, which occasionally gets a mention by the opposition, peaked under the former government. All these terrible statistics tend to peak when Liberals are in power. The youth unemployment rate was 15 per cent. Indeed, the youth unemployment rate under the former government, member for Armadale, rose 200 per cent; it went from five per cent to 15 per cent.

**Dr A.D. Buti:** You're not exaggerating, are you?

**Mr B.S. WYATT:** I am not exaggerating.

**Mr A. Krsticevic:** By 200 per cent?

**Mr B.S. WYATT:** That is what the youth unemployment rate did during the largest commodity boom in the history of Western Australia. The amendment that deals with the economy and jobs —

**Mr A. Krsticevic:** Where is it now?

**Mr B.S. WYATT:** It is on its way down. We are down to a rate of about 13 or 13.5 per cent.

**Mr A. Krsticevic:** No, it's 14.3 per cent.

**Mr B.S. WYATT:** No, the member is wrong. It is between 13 and 13.5 per cent. I accept that is still too high, but the former government took the rate from five per cent when Labor was last in government to 15 per cent and then left me with a recession, and it takes some time to turn that around. But we are turning it around, Madam Deputy Speaker. The reality is that the economic data is way better than it was when I became Treasurer.

What I am most intrigued about with this Liberal opposition is how opposed it is to tax cuts. It is very rare to see a Liberal Party that is opposed to tax cuts, but, again, the last 20 years has confirmed a pattern of the Liberal Party in Western Australia. In government, the Liberal Party ratchets up taxes quite dramatically, in particular land tax. I suspect, and the Deputy Leader of the Opposition has made the point—we have commented on that; it is in the *Hansard*—that it was a deliberate policy of the Liberal government at the time to increase land tax to reduce house prices. I never said that; that is what the member for Nedlands said. He said it in the chamber. It has been quoted; I was so surprised I put it in a media statement. It has now been recognised that the three increases in land tax in nearly three years decimated the investment sector—there is no question about it—and was the start of the decline in property prices. I suspect that the member for Bateman never mentioned negative equity when he sat on this side of the chamber because it was a deliberate policy of the former Liberal government. We know that now from the member for Nedlands. Every time we cut a tax, the opposition opposes it. The opposition critiqued and opposed the stamp duty cut. I am interested in some recent commentary published in *Business News* of 20 January on our 75 per cent stamp duty rebate, which was opposed by the Liberal Party. Gavin Hawkins from Edge Visionary Living is quoted as saying —

“The stamp duty rebate has been really significant ...

... not just for those projects that are pre-construction. It has obviously been a huge benefit for those projects, particularly as overseas sales have picked up —

I will say that bit again, “overseas sales have picked up” —

... but I think it's got people re-examining all projects, whether they are pre-construction and the rebate applies, but we've noticed it's also flowing over to our projects that are under construction.

... the rebates have got people talking property again and there is a flow-on effect to projects under construction.

“It's been really positive ...

The rebate has had a positive impact across the apartment market sector. I am still delighted that the Liberal Party is going to abolish the foreign buyers surcharge. Let me tell you that is going to be a key part of my election campaigning, because I am still stunned that when it comes to Western Australians versus foreign property buyers in WA, the Liberals are backing the foreign property buyers over Western Australians. Again, by way of an aside, it is interesting that the revenue we are collecting from the foreign buyers surcharge is running ahead of schedule; we are collecting more money than I thought we would be. But the Liberal Party is going to abolish that surcharge, and that will be a key part of our election campaign, because I think Western Australians would be interested to know where the Liberal Party's priorities lie when it comes to contributions to infrastructure in Western Australia. But the biggest surprise for me, which I had not heard this until the member for Bateman's comments today, is that he opposes our payroll tax cut. I am stunned by that. The member for Bateman got up and complained and said, “Why bother when it is going to have no impact?”

**Mr D.C. Nalder:** I said I'm pleased.

**Mr B.S. WYATT:** No; the member got up and said that it is going to have no impact. Interestingly, I think the member also wrote an op-ed saying we should cut payroll tax. He said if we cut payroll tax, it is not going to have any impact, so why have we done it. The member for Bateman said it is a ridiculous thing to do. He again incoherently tries to grasp a narrative for his incoherent Leader of the Opposition so she can comment on the economy. It is a bizarre position to take: we should not cut payroll tax because the payroll tax take is increasing.

It is bizarre! We are delighted to have cut payroll tax because, as I said at the time, it puts us more in line with the other states, which is what I was keen to see. I think others have been supportive of that, but not the Liberal Party of Western Australia, which is disappointing. Nonetheless, I will bring in that legislation and the opposition can oppose it. Of course we will be voting for it because I think all government members would support the passage of legislation that will cut payroll tax in two hits in Western Australia. It is an important thing to do.

The economy has always been stronger under Labor than under the Liberals. That is what the last 20 years—in my time following politics—has shown. Since Geoff Gallop came into government to now two things are facts in Western Australia: the economy is stronger and the finances are better. There is no doubt about that.

**Mr A. Krsticevic:** Come doorknocking with me.

**Mr B.S. WYATT:** If the member wants to have a doorknocking amendment, he should put a doorknocking amendment—the economy and failing to deliver a jobs bonanza. It is incorrect. The economy is always stronger under a Labor government in WA. The finances are always better under a Labor government in WA. It is also a pure fact that more jobs are always created when a Labor government is in power than when Liberal government is in power in Western Australia. They are three facts that cannot be disputed that we will be talking about every day until the election. I am very much looking forward to the election; it is going to be an absolute belter. I think Western Australians know that this incoherent rabble across the chamber from me do not have the capacity to deliver strong financial management. Members opposite do not have the capacity to deliver on jobs. How do they know that? All they have to do is look at their record. Their record is stark. Their record is clear, and that is that they lost jobs and drove the economy to the only recession Western Australia has ever had. Yes, they spent up big. I am now paying for that. Members opposite left that debt and deficit to Western Australians for many years to come.

**MR S.K. L'ESTRANGE (Churchlands)** [1.49 pm]: I can see why the members of the backbench who are sitting on margins of less than six per cent are incredibly worried right now. They are very, very worried, because their constituents are looking for an economic leader, not an economic historian, and that is what we just got from the Treasurer—a history lesson. Those members who have studied history will know this. There are three versions of history—his version, their version and the truth. I can tell members that the constituents of Western Australia are going to believe their version ahead of his when he steps up and says, “The last government was bad. We’re good, but you’re unemployed. We’ve hit you with high fees and charges. We continue to hit you with taxes when we said we’d never do it. We said we’d stimulate the economy and have some big Metronet building program, but we haven’t laid a rail.” Their reality of history is what they will take with them to the ballot box in March 2021, and that is why the members of the backbench who are sitting on margins of six to eight per cent are shaking in their boots and shining up their CVs right now. The only member of the backbench who is not worried is the member for Kalamunda, because he wants to retire. He is not interested in coming back here for another term. He is gone anyway!

**Mr M. Hughes:** That is not true. I have just been preselected. You need to read the —

**Mr S.K. L'ESTRANGE:** If the member for Kalamunda has just been preselected, I think we have just found ourselves a real opportunity in Kalamunda. I can tell members now that if the member for Kalamunda is out there trying to prosecute the case of the Treasurer’s history lesson today to the people of Kalamunda, he might as well give up now. In fact, we endorsed our candidate last night. I think we can just grab him and say, “Mate, put your suit on, get on down here and sit in the member for Kalamunda’s seat, because they are doing no good with him, with his interjections today on the economy.”

**Mr D.J. Kelly** interjected.

**Mr S.K. L'ESTRANGE:** We have the Minister for Fisheries—no, the former Minister for Fisheries—barking. The former Minister for Fisheries is carrying on from the back bench, or the mid bench—the most incompetent minister in the government; no doubt, the only minister to be sacked from a portfolio, and why? Because he could not manage the stakeholders.

*Point of Order*

**Mrs L.M. O'MALLEY:** I draw attention to the amendment. Is the member speaking to the amendment?

**The DEPUTY SPEAKER:** That is not a point of order. Member for Churchlands, go ahead, and I would just remind you to speak to the Chair and not yell at people.

*Debate Resumed*

**Mr S.K. L'ESTRANGE:** I say to the member for Bicton that on the amendment, when it comes to economic infrastructure, there is no better piece of economic infrastructure than Roe 8 and Roe 9, which we support, and, as members opposite know, we will take it to the election. Our candidate will run up against the member for Bicton and she will have a real race for the line there because the people want it.

Several members interjected.

**The DEPUTY SPEAKER:** I think we have a bit of a challenge with yelling. Member for Burns Beach, I warn you that I will call you, and member for Bicton, I warn you that I will call you as well. Do not yell so loudly, members.

**Ms M.M. Quirk** interjected.

**The DEPUTY SPEAKER:** Member for Girrawheen, I call you for the first time.

**Mr S.K. L'ESTRANGE:** The member for Girrawheen deserves a bit of respect. She tries pretty hard and she does not get treated well by the front bench of government members. But I can tell members that we are getting back to the motion on economic performance. The former government gets mocked by the Treasurer for not creating jobs. Can I just say that all the projects that the government has opened in the last three years of government—there have been several of them, such as the Karratha Health Campus, Perth Children's Hospital, Yagan Square, Optus Stadium, the Ningaloo Centre and Aubin Grove station, just to name a few, and the government cut the ribbons on all those—were Liberal government projects. There are also projects that were not mentioned, such as Elizabeth Quay and the sinking of the railway line, that were Liberal government projects. Without those projects, what would that unemployment rate have been? It would have been dire. This government opposed just about all those projects when it was in opposition. It would have sent the unemployment rate skyrocketing if it had been in power at the time. The former Minister for Fisheries knows better than anybody that this government would have given it all away, because it does not care about the economy, and that is quite obvious to the people of Western Australia. The only projects that have helped prop up jobs in this state have been projects started by the Liberal–National government, and this government has done nothing in its term.

*Division*

Amendment put and a division taken, the Deputy Speaker casting her vote with the noes, with the following result —

Ayes (15)

Mr V.A. Catania	Mr P.A. Katsambanis	Mr W.R. Marmion	Mr K.M. O'Donnell
Ms M.J. Davies	Mr Z.R.F. Kirkup	Mr J.E. McGrath	Mr P.J. Rundle
Mrs L.M. Harvey	Mr A. Krsticevic	Ms L. Mettam	Mrs A.K. Hayden ( <i>Teller</i> )
Dr D.J. Honey	Mr S.K. L'Estrange	Mr D.C. Nalder	

Noes (35)

Ms L.L. Baker	Mr T.J. Healy	Mr M.P. Murray	Ms J.J. Shaw
Dr A.D. Buti	Mr M. Hughes	Mrs L.M. O'Malley	Mrs J.M.C. Stojkovski
Mr J.N. Carey	Mr W.J. Johnston	Mr P. Papalia	Mr C.J. Tallentire
Mrs R.M.J. Clarke	Mr D.J. Kelly	Mr S.J. Price	Mr D.A. Templeman
Mr R.H. Cook	Mr F.M. Logan	Mr D.T. Punch	Mr P.C. Tinley
Ms J. Farrer	Mr M. McGowan	Ms M.M. Quirk	Mr R.R. Whitby
Mr M.J. Folkard	Ms S.F. McGurk	Mrs M.H. Roberts	Mr B.S. Wyatt
Ms J.M. Freeman	Mr S.A. Millman	Ms C.M. Rowe	Mr D.R. Michael ( <i>Teller</i> )
Ms E.L. Hamilton	Mr Y. Mubarakai	Ms A. Sanderson	

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Pair

Mr D.T. Redman

Mr K.J.J. Michel

Amendment thus negated.

*Consideration Resumed*

Debate interrupted, pursuant to standing orders.

[Continued on page 387.]