

Hon Dr Sally Talbot; Hon Nick Goiran; President; Hon Kate Doust; Hon Helen Morton; Hon Ljiljanna Ravlich;
Deputy President; Hon Peter Collier; Hon Alanna Clohesy; Hon James Chown

STATE FINANCES

Motion

HON SALLY TALBOT (South West) [10.10 am] — without notice: I move —

That this Council condemns the Barnett government for —

- (a) misleading the Western Australian people before the 2013 state election about the true nature of Western Australia's finances; and
- (b) its financial mismanagement which has now resulted in broken promises and cuts to essential services.

This is a motion about broken promises and cuts to essential services. The debate we have brought on in this place is about the extent to which this government misled the Western Australian people prior to the state election, and the delivery of nothing but broken promises and cuts to essential services. What a day to be debating such a motion, with the statewide closure of WA schools in protest about exactly that—broken promises and cuts to essential services.

I start by asking the Minister for Education what he thinks he is doing in this chamber when just down the road 15 000 teachers are —

Hon Nick Goiran interjected.

The PRESIDENT: Order! Let us establish the ground rules right from the start: when a member is on their feet, they are entitled to be heard. That does not mean to say we sterilise the debate with no interjections —

Hon Ljiljanna Ravlich: No, that's not the same thing—sorry!

The PRESIDENT: — but continuous interjections are certainly out of order.

Hon SALLY TALBOT: Just down the road, 15 000 teachers are assembled at Gloucester Park; every stand is crammed with teachers, education assistants, gardeners and cleaners—every element of the education workforce in Western Australia.

Several members interjected.

The PRESIDENT: Order! Just in case some members are hard of hearing—I do not want to repeat what I just said—let us have members on their feet given the opportunity to say what they need to.

Hon SALLY TALBOT: Every sector of the education workforce in this state is represented at Gloucester Park, where the stands are crammed with teachers, education assistants, gardeners, cleaners and office staff, all protesting about exactly the substance of this motion—the Barnett government's broken promises and cuts to essential services. I ask Mr President and the house in general what the Minister for Education is doing in this chamber.

Several members interjected.

Hon SALLY TALBOT: Yesterday, in question time —

Hon Helen Morton: He's doing his job!

Hon SALLY TALBOT: Hon Helen Morton thinks that the minister is doing his job by being here while 15 000 of his stakeholders are down the road!

Several members interjected.

The PRESIDENT: Order! Let the member have her say, and then everybody else will get the opportunity, in turn, to have theirs.

Hon SALLY TALBOT: “This is where the minister belongs” was one of the interjections from the other side. I tell members opposite that there are 15 000 people just down the road who will tell the minister where he belongs! Those 15 000 people just down the road have a very, very clear idea about where this minister belongs, yet he has chosen to be here.

Several members interjected.

The PRESIDENT: Order! Look, let the member have her say. You do not have to like it or agree with it, but every member in turn is entitled to have their say.

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Hon SALLY TALBOT: It is not as though this minister does not seek leave of absence from this house when he has to go and deal with important parliamentary business outside this chamber. On Tuesday night, the minister was absent from the chamber with the permission of the house to go and deal with important matters.

Point of Order

Hon NICK GOIRAN: My understanding is that there is a longstanding convention in this place that we specifically choose not to comment or hypothesise on the reasons or rationale for members not being in this place. Following that logic, the same standard must apply to members being in the chamber. It is quite inappropriate for the member opposite to criticise a member for being in this place when a session of Parliament is on the go. I ask you to caution the member.

Hon Ljiljanna Ravlich: She can say what she wants.

The PRESIDENT: Order! It is not a point of order under standing orders, but members are sometimes absent from his chamber for a whole variety of reasons, and it is a practice—a convention, a courtesy—that those occasions are not referred to, but it is not a point of order in that sense.

Debate Resumed

Hon SALLY TALBOT: I simply make the point that yesterday the Labor opposition offered the minister a leave of absence to go and talk to all the education workforce people who are gathered just down the road, wanting to challenge the minister about the very substance of this motion—about broken promises, about deception of the electorate, about financial mismanagement and cuts to essential services—yet the minister refused that offer.

Let us be absolutely clear. Page 31 of yesterday's *The West Australian* had a headline "Education staff united in anger". That is what is going on down the road. What are they angry about? Not about pay and conditions for teachers or pay and conditions for gardeners or cleaners or office staff or education assistants; they are angry about this government's open, outright, barefaced assault on our education system in Western Australia. Through you, Mr President, I ask the house: what could be more essential than providing a decent education for our children?

I do not know who will respond to this motion. I do not know which of the members opposite has had the text message telling them they had better get on their feet and have something to say about this—maybe Hon Helen Morton or Hon Peter Collier. I do not know who will respond, but I do know what they will say in response to the fact that all Western Australians schools today are taking industrial action —

Several members interjected.

Hon SALLY TALBOT: — because education staff are united in anger!

The PRESIDENT: Order! Obviously, other members are very keen to get into this debate, but you all have to do it in turn, not all together.

Hon SALLY TALBOT: I did not intend to talk about education today, because I had assumed that the Minister for Education would not be here, and I would not be so discourteous as to raise these matters when he is not here.

Several members interjected.

Hon SALLY TALBOT: But he is here, so I say to the minister —

Several members interjected.

The PRESIDENT: Order!

Hon SALLY TALBOT: Thank you, Mr President. I know this is deeply upsetting for members of the government, but as you pointed out, they will get a chance to have their say after I have finished.

The sad thing about this debate is that we know what the government is going to say to the 15 000 education workers just down the road, and the thousands and thousands of teachers and other education staff who are not at work this morning. They will try to claim that the government is increasing school funding —

Several members interjected.

The PRESIDENT: Order! Look, members might have noticed that some young people have just come into the public gallery. We do not want to set a sort of example that they would want to take back to their schools, and I am sure their teachers would not want them to take that back to their schools.

Hon Simon O'Brien: They've come to the wrong place then!

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The PRESIDENT: Hon Sally Talbot has the call.

Hon SALLY TALBOT: They will try to claim that, because it has been their only line for the last couple of weeks as this disaster has unfolded. The only thing they have had to say is that the government is increasing school funding in the budget, although the truth is that what is happening now is an assault on local schools and a raid on school budgets.

Several members interjected.

The PRESIDENT: Order, members! As I said before, you do not have to like what is being said and you do not have to agree with it, but you do have to give the person on their feet the opportunity to say it. That is what this debating chamber is all about.

Hon SALLY TALBOT: Thank you, Mr President. The truth is that —

Hon Nick Goiran interjected.

The PRESIDENT: Order!

Hon SALLY TALBOT: Under the watch of Hon Peter Collier, as the minister, and Hon Colin Barnett, as the Premier of this state, there is an assault on local schools—a raid on schools’ budgets and a shifting of the financial burden from this dreadful debt-ridden, deceptive and misleading budget from the Department of Education to individual schools. Who will pay? That is my question. Actually, it is not my question; it is the question raised in today’s *The West Australian*.

Hon Michael Mischin: Your instructions from the union.

Hon SALLY TALBOT: It is on the opinion page, headed “Crunch looms as bills fall due” and ends with the words, “And now the bill is due.” Let me put that in context.

Hon Peter Katsambanis interjected.

Hon SALLY TALBOT: It reads in part —

... the inescapable conclusion is that the Barnett Government has simply spent too much, that it has failed to show the necessary financial discipline.

I ask honourable members opposite: who will pay? I will tell them what: thousands and thousands of teachers, other education staff, parents and community members know the answer; that is, schools, school communities, students, teachers and parents will pay for this dreadful debt-ridden mess the government has created with its lack of financial management over the past five years. This government has declared war on schools in the name of reform.

Several members interjected.

Hon SALLY TALBOT: I know the government wants to deny this and it wants to go back to the original report. It wants to doctor, sensor and rewrite history and selectively quote from the very documents it commissioned.

Several members interjected.

The PRESIDENT: Order!

Hon SALLY TALBOT: The reality is this —

Hon Nick Goiran interjected.

Hon SALLY TALBOT: I will ram it home once again as many other members on this side of the house have done.

The PRESIDENT: Order! I must ask Hon Nick Goiran to come to order. Continuous interjections are not acceptable.

Hon SALLY TALBOT: I will make the point once again calmly and quietly, although I feel neither calm nor quiet about it. I would like to be with the protesters. If I had had the offer yesterday to meet with those people for a couple of hours, I would be there because every member on this side of the house will stand shoulder to shoulder with those parents, students, teachers, education assistants, gardeners and cleaners to talk about the fact that members opposite have misled the electorate.

Several members interjected.

Hon SALLY TALBOT: They have broken their promises.

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Point of Order

Hon KATE DOUST: Mr President, it is quite obvious that the backbench of the government is treating your instructions with contempt and is not prepared to listen in silence to our speaker on this side. I ask you to reinforce your message to the government benchers.

The PRESIDENT: That message has been reinforced and is reinforced again.

Debate Resumed

Hon SALLY TALBOT: Let me calmly and quietly share with members of the house this extract from the opinion piece on page 31 of yesterday's *The West Australian* written by Bethany Hiatt. It reads —

In a recent question and answer internet hook-up for primary school principals, he —

Professor Teese said —

the Government was “not well-advised” to introduce a major reform to the funding model while at the same time stripping resources out of the school system.

This is the expert members opposite quote to justify their assault—their raid—on local schools in our community. Their own expert says that the government was “not well-advised” to introduce a major reform to the funding model while at the same time stripping resources out of the school system. Professor Teese continues —

... the Government should first fix the funding model, so it would then have a robust vehicle to deliver resources.

The following paragraph quotes his words —

“We really need to be heavily resourcing our schools at this stage, not withdrawing them,” he said. “I don’t understand the way the Government is thinking about this.”

Professor Teese does not understand; teachers and parents in this state do not understand and we on this side of the house do not understand. We do not understand because it is simply inexplicable.

Members opposite pose under the banner of reform, but, in fact, all they talk about is cuts, cuts, cuts. Where have we heard that? Will those words come back and haunt members opposite every minute of the rest of their time in government? Their days are numbered. History is littered with former governments who lied to the electorate, who misled the electorate and who got back into power with tricks, ruses and broken promises and spent a few years breaking them and trashing the trust of the electorate. They will be out on their ear before they know it. If we peel away that thin veneer of talk about reform, all they are really talking about is cuts, cuts and more cuts. The government is cutting from our system between 250 and 350 kindergarten to year 2 general education assistants.

A government member interjected.

Hon SALLY TALBOT: One hundred anaphylaxis education assistant positions are being cut—gone, finished—and at least 150 positions in the Department of Education, in both Perth and regional offices are being cut. I will tell members the real irony of this. Do they know what they have allowed their minister to do? At least 20 of those 150 positions were specifically allocated to give assistance to independent public schools, which have to move to a completely different accounting system. They have unilaterally declared that all schools are independent public schools and they have allowed the government to get rid of that section in the department that was specifically set up to give advice to schools about how to cope with the new system. This amounts to a total of more than 500 jobs over and above the public sector cuts. It is 500 jobs from just education.

The government is cutting 30 per cent from the school support program resource allocation fund. What does this fund provide for? We can stand up and talk about 30 per cent cuts to the SSPRA fund and people say, “Yeah, yeah; whatever.” It means there will be cuts to programs for literacy and numeracy, behaviour management and Aboriginal students. As one of my colleagues facetiously said the other day, “It’s not as if we have a problem there, is it?” Look at where the cuts are being made. “Let’s go for Aboriginal students’ needs programs; no problem there.” Other programs include English as a second language, children with learning difficulties, priority country area programs and distance and other forms of education. Thirty per cent of funding is being taken from the SSPRA fund.

I refer to the long service leave liability. Are we going to call it the long service leave liability? Talk about weasel words! I have rarely seen a better example of a weaselly worded phrase than “long service leave liability levy”! This is a teacher tax. Members opposite know it is a teacher tax. It is not rocket science; it will mean 600 bucks a year for every high school teacher and 400 bucks a year for every primary school teacher. Hundreds of

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thousands of dollars will be taken from the budgets of individual schools. There will be a 1.5 per cent cut from the school procurement program, which means 1.5 per cent less money to buy goods and services for schools, and members opposite have abolished the funding for the performance management program. What do we have? We have cuts, cuts and more cuts—more than 500 jobs. What service is more front line than the services teachers, education assistants, clerical staff, cleaners and gardeners in our schools are delivering? More than 500 jobs and a massive amount of money is being cut from the heart of the individual budgets of local primary and high schools.

This is a motion about how the government is misleading the Western Australian people. Before the election the government said three things: all its policies were fully funded and fully costed and there would be no job cuts and no cuts to front-line services today. When the teachers, the education assistants and other staff close the schools today, what does the government say? Does it come out and say, “Sorry; we have made a mistake. As you see, yesterday, we lost our AAA credit rating; sorry we botched it, let’s go back to the table and talk about how we can genuinely protect the best example of front-line services any of us could bowl up to you.” Does the government say that? No; it pretends that this is a strike about pay and conditions.

Hon Jim Chown: It is.

Hon SALLY TALBOT: It absolutely is not. This strike today is about defending schools. It is not as though the government did not see it coming.

Several members interjected.

Hon SALLY TALBOT: Members opposite on the back bench are all economic geniuses; they are quite happy to stand and talk about economic management!

Government members just stuff their fingers in their ears when they get the warnings. These are the warnings they have deliberately ignored and that have brought the state to its knees. All our schools are closed and 15 000 people down the road are baying for the blood of this minister because of his assault on schools. This is the evidence that government members—all those economic geniuses—have ignored. Standard and Poor’s in October 2012 and Moody’s in December 2012 put our credit rating on negative watch. This was all before the election! What a surprise it was to government members yesterday when we lost our AAA credit rating. “Well, well, well,” they said, “fancy that, but it’s probably not too much of a problem.” That is not what they have said in the past. *Hansard* and the public record are littered with them talking about how important the AAA credit rating is. Yesterday they lost it and what did they say? They said, “Whoops.” That is despite Standard and Poor’s in October 2012 and Moody’s in December 2012 putting us on negative watch. The government’s own Under Treasurer on 7 February, one month before the state election, gave it a report and made public statements about the fact that the state was groaning under debt. And only a matter of weeks ago we heard Fitch Ratings talk about the volatility of the Western Australian electorate and our extreme vulnerability to any sort of slowdown in the mining sector.

So now the bill is due. We have lost our AAA credit rating; our schools are closed; and there is an all-out, full-frontal assault on our education system. The government is being completely dishonest about the reasons we have got into this terrible position, yet the reality is there in black and white for everybody to see. This period of the government’s financial management is a disaster. We have one of the worst budgets we have ever seen. In the face of all those warnings from some of the most eminent financial advisory services in the world—on the face of the earth—the government went to the people with a budget last month that stated we would increase recurrent spending and blow out our debt even further, with no remark or notice given to any of those warnings that have been ringing loud and clear. The question I now leave all members with is: now the bill is due, who will pay?

Today the answer is horribly crystal clear. The answer to who will pay for the government’s financial mismanagement is that every student in our education system and every parent who values their children’s education will pay. The thin veneer of reform talk that the government is dressing this up in crumbles away in the failure to answer this one simple question: who will benefit? The government has been unable to produce to us the name of one single school that will benefit, yet we have a list of schools along the length and breadth of the state that will forfeit hundreds of thousands of dollars, and will have fewer teachers, programs and resources for children who need special help all because of the mess the government has made of the financial management of this state.

HON HELEN MORTON (East Metropolitan — Minister for Mental Health) [10.33 am]: We have just had 15 or 20 minutes—whatever time it was—of the great union genius giving us all a lecture. What great fun it was to hear the lecture again about the union genius —

Several members interjected.

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Hon HELEN MORTON: Hon Sally Talbot made it clear that she would love to be down there at the rally, but instead of being there, guess where she is? She is in the house, because that is where she needs to be. Unfortunately, despite being in the house, she cannot help the pointing, the carping, the whingeing and the complaining—the typical union approach to everything that we hear from opposition members. They are bitter and twisted and have never been able to get over the election result six months ago and the even worse outcome for them at the federal election a few weeks ago. They then say that our days are numbered.

I can tell Hon Sally Talbot that the opposition is so focused on what happened six months ago that it will miss the next election that comes along in four years. Is there any other state in Australia at the moment where people would rather live? One thousand people a week say no, this is the place they want to come to, and they come here. For someone looking for a job, this is the state to be. Unemployment is at five per cent, which is less than the national average of 5.8 per cent. This is where people want to come.

Several members interjected.

The PRESIDENT: Order! We established the ground rules at the beginning of this debate. That means they apply right through the debate and the member on their feet has the right to be heard.

Hon HELEN MORTON: As I said, this is the place where people want to be. They are coming here in droves—1 000 a people a week. Teachers are the best paid in the nation. They are not going anywhere. They are staying here. For anyone who wants to be an investor, this is the place to be as well. The economy will grow by 3.25 per cent in 2013–14.

Hon Kate Doust: Who wrote this for you?

Hon HELEN MORTON: We have the highest rate of growth forecast in any state this year and it is above the commonwealth forecast of 2.5 per cent for the Australian economy.

Hon Kate Doust asked who wrote this for me. This is my handwriting. This is the work that I did on this myself. Seriously, this is the —

Several members interjected.

Hon HELEN MORTON: This is the bitter and twisted business of the opposition. It cannot get over the fact that, despite everything it says, this is still the best state in Australia to live in; it is the best state in Australia to work in; and it is the best state in Australia to invest in. It is the best state.

Several members interjected.

Point of Order

Hon NICK GOIRAN: Mr President, a little earlier you quite rightly brought me to order and asked me to cease my unruly interjections. The most honourable Kate Doust took a substantial point of order on this matter, and it seems to me that the same standard about which members opposite so strongly protested only moments ago does not apply to them. I ask that the same standard apply to both sides of the house.

Several members interjected.

The PRESIDENT: Order! I like to empower each individual member to behave as they should behave as a member of Parliament. My role is to come in and be fair, as the point of order makes, and I will be fair. If there are continuous interjections from one or more members, they will be brought to account.

Debate Resumed

Hon HELEN MORTON: As I was saying, this is the best state in Australia to live in, except of course for a unionist. For a rusted-on Labor voter, this is the worst state to live in; they do not want to be here. Less than 30 per cent of people believe in unions, trust in them or want them to do anything for them.

Hon Ken Travers interjected.

The PRESIDENT: Order! I have to remind Hon Ken Travers that continuous interjections are out of order.

Hon HELEN MORTON: This opposition is totally confused about whether to condemn the government for taking action or to condemn the government for not taking action. This opposition is so confused and so irrelevant that it is engineering any issue to create some kind of noise in the state.

I want to focus briefly on the statement at the beginning of this motion referring to a so-called “misleading”. The motion in part reads —

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- (a) misleading the Western Australian people before the 2013 state election about the true nature of Western Australia's finances ...

I will provide some factual information about that. In response to the first part of the motion it should be noted that the *Pre-election Financial Projections Statement*, or the PFPS, released during the election campaign on 7 February 2013, was independently prepared and released by the Under Treasurer and is consistent with the requirements of the Government Financial Responsibility Act 2000. The PFPS forecast a general government operating surplus of \$241 million for the 2013–14 financial year. The estimated outcome reported in the 2013–14 budget on 8 August 2013 was an operating surplus of \$239 million for 2013–14. That is very close—only a couple of million out—and virtually identical to the forecast in February's PFPS. At the same time the PFPS forecast that total public sector net debt would be around \$18.3 billion at 30 June 2013. The estimated out-turn reported in the August budget for total public sector net debt at 30 June 2013 was just under \$18.5 billion. Again, that is very close to the forecast. How can the opposition suggest that this information is misleading the general community or those people involved in the budget?

Following the election, the government embarked on the process of formulating the 2013–14 budget. As part of that budget process the government had to accommodate its election commitments in the forward estimates. At the same time, a number of other pressures crystallised during the budget process. These included things such as higher than expected student enrolments, which saw an extra \$1.2 billion over the forward estimates for education, further cost and demand pressures in the health system—that, of course, led to increased spending on health services of \$2.5 billion over the forward estimates—downward revisions to forecast iron ore prices as a result of new forecasting methodology implemented by Treasury and a further downward revision of the state's forecast share of national GST revenue to only 7c in the dollar by 2016–17. I have heard members say that we always blame the GST, but the reality is that the GST level of funding in this current budget is 45 per cent. It is reducing and reducing.

Hon Ken Travers: You have to live within your means until you can change it.

Hon HELEN MORTON: Hon Ken Travers, “living within your means” meant that the government put together the 2013–14 fiscal action plan, which includes various measures: important public sector workforce reforms, including a new public sector wages policy; targeted programs savings; and a new and systemic approach to program evaluation and prioritisation. The fiscal action plan is estimated to reduce net debt levels by \$6.8 billion relative to what they would otherwise have been by the end of the forward estimates period. The decision by Standard and Poor's yesterday to downgrade WA's credit rating from AAA to AA+ highlights the challenging financial circumstances facing the state and reinforces the necessity to put in place that fiscal action plan.

It is important for the government to set about implementing the plan and regaining WA's AAA credit rating while at the same time continuing the efficient delivery of quality services to WA. The government's commitment to that since coming to office is clear. It is worth re-emphasising that between 2008–09 and 2013–14 spending increased by \$2.3 billion, or 48 per cent, in health; \$1.1 billion, or 34.1 per cent, in education; \$364 million, or a massive 83.8 per cent, in disability services; \$339 million, or 36.7 per cent, in police; \$263 million, or 55.9 per cent, in mental health; and \$237 million, or a huge 67.2 per cent, in child protection. I am absolutely thrilled to indicate that those increases are continuing in the portfolios I have just mentioned. It is an incredible achievement of the government to achieve those things and to continue to provide those services. Does the opposition support the need for the fiscal action plan announced by the Treasurer? The answer cannot be both yes when it suits me and no when it does not. That is the sort of thing we hear from the opposition: we do not want to support this, but we will support that.

I continue: improving tax administration arrangements, including the 12.5 per cent increase in land tax rates from 2013–14, which will offset lower than expected land evaluations and generate an additional five per cent of land tax revenue; halving private vehicle concessions for motor vehicle registration; and capping growth in general government agency salaries' expenditure to the projected growth of the Perth consumer price index, supported by a new wages policy. I heard so much negativity, fear and scaremongering from the opposition when that was announced. It is good policy and it is needed to bring back the level of expenditure the government has said it will achieve.

Then there is the \$1 billion prioritisation of public sector infrastructure spending, which reflects the outcomes of an extensive review of the government's asset investment project. I bet my bottom dollar that a particular member opposite will complain about that and forget the so-called fiscal action plan when that hits a particular project they support and champion. It will affect small projects and big projects. Did the opposition support the targeted program rationalisation measures, which included a reduction in the feed-in tariff, when it was first announced, or did it generate some of the community angst on that?

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I continue: the introduction of a coordinated and systematic approach to ongoing program evaluation within the sector. When some of these projects are outsourced or made more efficient, will the government get the support of the opposition or will it get further concerns and worries about it? Did the opposition see the voluntary severance scheme which will target 1 000 full-time equivalent employees as good fiscal management or as targeting, getting rid of, or whatever other negative words the unions use? Did we hear positive words from the opposition on the introduction of legislation to enhance current redeployment arrangements around involuntary severance or did we hear only whingeing, carping and negativity over and over again? The opposition is so confused it does not know whether to support cutbacks or whether to ask for cutbacks. It does not know which way to go on this.

Just off the top of my head, other things the government is doing include the terrific arrangements for hospitals, the Ord, roads and schools. Those are not wasted funds or expenditure; it is expenditure to develop the future for Western Australians. They are going ahead. The government is not standing still like the Labor Party, which thinks that sometimes it is safe to do nothing. The Premier's comment recently that we might have gone too hard, too fast is similar to saying that we bit off more than we can chew, but we are chewing like mad. There is no doubt whatsoever that we are going to get there.

The Treasurer has consistently said that we are going through tough times and that we are facing significant headwinds at the moment. When I heard those words from the Treasurer, I thought that if we apply that analogy to flying an aeroplane, we would never get in the aeroplane and we would never fly if there is a bit of turbulence or something. We would just stay at home and do nothing. That is not what this government is about; this government is about making decisions and moving ahead and getting to the destination, and that is where we will be.

HON LJILJANNA RAVLICH (North Metropolitan) [10.50 am]: I welcome the opportunity to make some comments about the motion. I support the motion —

Several members interjected.

The PRESIDENT: Order! Let the member at least start.

Hon LJILJANNA RAVLICH: Yes, do not get so excited! Thanks, Mr President.

I really want to take members back to 2008. The first point I make is that when Labor left office in 2008, the state debt level was considerably less than it is now. It was \$3 billion. Currently, we are moving to a debt level in the order of \$30 billion by 2016–17. The government has a very, very serious problem and it needs to recognise that. In October 2008, the Treasurer, Hon Troy Buswell, announced that there would be an economic audit and he established the Economic Audit Committee. This was a pretty heavy-duty committee that consisted of Peter Shergold, John Langoulant, Catherine Nance and others. It cost a substantial amount of money. The committee's objective was to basically do a stocktake of where the public sector was, if you like, ensuring that analysis was taken and that a plan was put in place to make sure that the state had the most efficient administration system for all government agencies. I could go through the terms of reference for that committee, but time does not allow me to do that. Basically, it was to evaluate the effectiveness of the existing performance of government agencies and recommend options for better performance in the future. It was a large-scale review.

The Economic Audit Committee report was tabled. It was a comprehensive report that made a number of recommendations and set time lines against those recommendations. It was the economic blueprint for how this government would progress to achieve its objectives in a cost-effective way. I have asked, through the Standing Committee on Estimates and Financial Operations, for a copy of updates on progress in relation to that blueprint, but they are not available. We have asked questions on all manner of things relating to that Economic Audit Committee report, but the answers are not available. It is not surprising that the government finds itself in this position because either there has been progress or there has been no progress. If there was some progress, the government would have advised the broader community of that. Clearly, that Economic Audit Committee report has been parked somewhere and the government has not progressed it. As a consequence, there is no excuse for this government to find itself in the position that it is in—namely, having lost the state's AAA credit rating. The bottom line is that there has been fundamental economic mismanagement by this government of this state's economy and of the public sector. There is no doubt about that. The government as a matter of priority needs to provide the taxpayers of this state with an explanation of what has happened to that Economic Audit Committee report and what progress has been made to meet the report's recommendations.

Further, there was a series of value-for-money audits. Those audits were done by high-level accounting firms in this state and cost hundreds of thousands of dollars. Those value-for-money audits were carried out on Western Australia Police, the Department of Health, the Department of Education and maybe others. I know that those audits have never been made public. I know that when the Commissioner of Police attended a Standing

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Committee on Estimates and Financial Operations hearing in 2011–12, he advised the committee that the audit of the police department showed that there was no more fat to trim—that it is operating efficiently.

Let us look at the government’s response to the loss of the AAA credit rating. In response to the rating downgrade, the Treasurer said —

“The reforms we have in line for our workforce, which will deliver the largest pool of savings out of the fiscal action plan, are going to be really tough,” Mr Buswell said. “And if we think it’s been difficult with education reform, we’ve got a whole other argument and battle coming around workforce reform. This should steel our resolve.”

I have to say that punishing public servants and the community by cutting back on services because of the total incompetence of a government to implement its own plan funded by taxpayers is an absolute disgrace! I do not hear anyone screaming now!

Several government members: You!

Hon LJILJANNA RAVLICH: I do not hear anyone on the other side screaming now—apart from me on this side.

Several members interjected.

Hon LJILJANNA RAVLICH: Government ministers know that they have defrauded Western Australian taxpayers. That is what they have done; they have defrauded the taxpayers of this state. Not only has the government defrauded the taxpayers of the state, it needs to make good. The government needs to come clean and explain why it has not implemented the recommendations of that Economic Audit Committee report. I call on the Premier to give us a progress report on the Economic Audit Committee and to table the value-for-money audits in both houses of Parliament. I call on the Premier to do that because for the Western Australian public, be it the mums, dads, children, students or teachers, to have to carry the can for the incompetence of a bra unclipping, chair-sniffing Treasurer —

Several members interjected.

Hon LJILJANNA RAVLICH: You don’t like it! And —

Several members interjected.

The DEPUTY PRESIDENT (Hon Simon O’Brien): Order! There is a point of order.

Point of Order

Hon PETER COLLIER: Mr Deputy President, I refer you to the standing order with regard to reflection on other members, particularly in the other place. I think that the honourable member’s comments were completely out of order.

Several members interjected.

The DEPUTY PRESIDENT (Hon Simon O’Brien): Members, it is not uncommon, in the heat of robust and sometimes emotive debate, for things to be said that may offend against the standing order being referred to. The fact that the Leader of the House has seen fit to draw this to the Chair’s attention, indicating that he has taken offence at the tone and contents of the words used, does then lead me to remind the member who is speaking about the standing order of which she is well aware and also of the standards that we all exhibit towards each other here. I am sure she will frame her future contribution accordingly.

Debate Resumed

Hon LJILJANNA RAVLICH: The Treasurer is responsible for the Economic Audit Committee report; this was his baby. He has some explaining to do. This is the gentleman who aspires to be the Premier of this state; therefore, we would expect better behaviour. But having said that, I do want to make another point; that is, even given that we have lost the AAA credit rating, the Premier still does not accept that he has any responsibility for this. In fact, he is quoted in the paper as being defiant, denying that a downgrade was a reflection on his financial mismanagement. I have to say I find that absolutely breathtaking. He needs to recognise that he has some serious deficiencies within his cabinet—number one, the Minister for Education—but it goes right through the whole of the cabinet. I have put some of my concerns on the public record in the hope that the Premier recognises them.

HON PETER COLLIER (North Metropolitan — Leader of the House) [11.02 am]: I will say at the outset that I was quite surprised when I saw this non-government business motion yesterday because it did not specifically refer to education; I was quite staggered! Certainly, given the profile of education in the community and in the Parliament that has taken place over the last couple of weeks I had every expectation that it would deal with education.

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Several members interjected.

Hon PETER COLLIER: Can I just say Hon Sally Talbot stood up and pretty much ignored part (a) of the motion altogether and then focused entirely on education, which absolutely delights me, I have to say. Of course, the problem being that Hon Sally Talbot spent a good third of her contribution talking about my attendance at the rally, which is extraordinary. However, I note that she did not talk about the focus of attention that should have been discussed to do with issues purportedly of cuts in education, which are nonsensical, but then she talked about why I was not at the rally. I proudly say I am not at the rally. But I will put a bit of perspective on this matter. There have been two union rallies over the past two weeks—there were actually three—but there was one from United Voice and then one from the State School Teachers' Union two weeks ago. I attended both of those rallies. I stood at both of those rallies from the time they started until the time they finished. To the credit of United Voice, they gave me the opportunity to speak. I appreciated that and I took that opportunity.

My office phoned the State School Teachers' Union the day before its rally and told them that I would be attending. I was not asked to speak at that rally where there were a number of teachers and school workers. The union had every opportunity for me to speak to those teachers; I was more than willing to speak to those teachers. Bill Shorten spoke at that rally. Mark McGowan spoke at that rally. Janet Pettigrew, the Labor candidate for Balcatta spoke at that rally. I did not. I was not asked to speak at that rally. Then I got criticised for it by members of that union after the rally: "Why didn't I have the courage and conviction to speak at that rally?" It was because I was not invited to speak at that rally. Let me put that to bed. I was not asked to speak at that rally and I would have.

Several members interjected.

Hon PETER COLLIER: If members opposite would just give me a chance, I will respond. I was willing to attend this rally earlier in the week. My office asked for a time when the rally was on. At that stage, the union did not know. However, the union was told, of course, that we have Parliament sitting at 10 o'clock. I am the Leader of the Government in the Legislative Council and this takes priority. This is my role that I hold dear and it is only appropriate that I fulfil this role. We received a message back from the union saying that the rally could be between 9:30 and 10:30, but that it could not be more precise. I said "No, look, I'm not going to attend if I'm going to miss Parliament." It was as simple as that. We then received a message from the union yesterday saying that Mark McGowan would give me a pair —

Several members interjected.

Hon PETER COLLIER: I do not know how Mark McGowan has control of what goes on in this place, but apparently he does! I said, "Thank you, but no thank you. I will not be missing Parliament." I adhere to that; I do not make an apology for that.

In conclusion, I had no issue with facing the union; I gave the union every opportunity for me to speak at the rally on the steps of Parliament House. If its members had been a little more accommodating with today's rally, I would have attended. But as I said, I certainly was not going to miss Parliament to attend a stop-work meeting by the union; it is entirely inappropriate. With regard to the actual strike that is going on today, I am on the public record about this; I do not think it should have gone ahead—I really do not. I understand the passion of those involved; the commitment of teachers and the concerns of the parent community. I do not think the appropriate form of action was a strike—I really do not. Contrary to the assertion made by Hon Sally Talbot, all schools did not go out. There might have been a significant number in a number of schools —

Hon Kate Doust: Some 5 000 of them!

Hon PETER COLLIER: Can I just finish?

Several members interjected.

Hon PETER COLLIER: Can I just finish, thank you?

The DEPUTY PRESIDENT: Order!

Hon PETER COLLIER: I will give members some perspective. We have 792 schools in Western Australia. Some 62 of those schools are closed today; that is about eight per cent of the state's schools were closed. I do not like that, I really do not like that, but a vast number, over 90 per cent of our schools, stayed open today and provided good educational facilities for the students throughout our state, which is terrific. As I said, I do not for a moment diminish the passion that people have with regard to this issue, but we must have perspective in this argument, and I will provide that yet again. First of all, with regard to funding, and I will again repeat what I have said in this chamber on a number of occasions this week, the Liberal-National government has been more committed to funding education than any of its predecessors—ever! More committed!

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Several members interjected.

Hon PETER COLLIER: Members opposite can shake their heads, but I will put the —

The DEPUTY PRESIDENT: Order! The Leader of the House is trying to address the Chair.

Hon PETER COLLIER: Funding has increased in Western Australia in education by \$1.6 billion since we took office; that is a 53 per cent increase. That is at a time when student numbers have increased by eight per cent. That is a significant increase in anyone's language; that includes an additional \$300 million in the 2013–14 budget. Yes, we have increased funding; that needs to be established at the outset. The teachers in Western Australia are now the highest paid in the nation. When we took office, they were the lowest paid in the nation. In the four years before we took office, up to 2008, there were significant teacher shortages in schools right throughout Western Australia. In the four years since we have been in office, we have put a teacher in front of every single classroom every year; we have filled the classrooms. That is some perspective.

Having said that, I understand, but I will now address the so-called cuts. Yes, we do have to tighten our belt—we do. As yesterday's events unfolded, it is very transparent that the current level of increase of education is simply unsustainable. We have to do that in a prudent, effective and efficient manner, and that is what we are doing as we move towards a more prudent, effective and efficient funding strategy, as recommended by Professor Teese. For next year, the state will have 21 000 teachers in our schools; that is identical to the number of teachers in our schools this year. Members do not need a PhD to work out that if there is an increase in students, does it not mean that there is an increase in the ratio. There may be some dietitians of doom out there who will say, "Yes, isn't this terrible, when there are massive increases in the ratios of students to teachers." But let me put some perspective on this matter. Is there a massive increase in the ratio of students to teachers? No. The increase in the ratio of students to teachers is 0.4, which is less than half a student per teacher. As I said, perspective is a wonderful thing. It is nice rhetoric to carry on about all these things, but the simple fact is that we are moving to a more sustainable funding model. In addition to that, our schools are the most resourced per student of any state in the nation. I will repeat that for members: Western Australian schools are the most resourced of any state in the nation. As we move towards a more sustainable model, some schools will have to cut back on programs. There are programs that schools simply cannot run any more. I acknowledge that. At the moment, the reduction per school on average is 1.5 per cent of their budget. Any reduction in funding for schools is not welcomed by the schools, the government or by anyone, but as we move to a more sustainable, more effective funding model it is imperative that everyone plays a part in that process. That is what the government is doing.

The government accepts Professor Teese's recommendation to identify each student as an individual entity. There will not be generic funding for schools. Every single student will be identified as an individual. That child might live in the leafy western suburbs, Meekatharra, Halls Creek, Albany or wherever they might live. The challenges are different throughout the state. That is what the new funding model will identify. In order to get there, we must develop a much more sustainable model as we move to 2015. We simply cannot move along and continue to inject funds at the rate we are doing, particularly under the current economic circumstances. We need to be mindful that there will be some belt tightening. Next year, in 2014, over 300 of our schools throughout Western Australia will have more teachers than they have this year. We are moving to that model. Some schools will be worse off and some schools will be better off. Ultimately, as we move to 2015, we will have a much more sustainable, effective and well-targeted education system.

HON ALANNA CLOHESY (East Metropolitan) [11.12 am]: As the Minister for Education pointed out, the motion has two parts, which read —

That this Council condemns the Barnett government for —

- (a) misleading the Western Australian people before the 2013 state election about the true nature of Western Australia's finances; and
- (b) its financial mismanagement which has now resulted in broken promises and cuts to essential services.

How do we mislead? We can mislead in a couple of different ways, but this government has misled Western Australians by making a range of promises and then later breaking those promises. These promises were made before the state election and during the formal election period, and the government has broken them not just today and yesterday, but also a few days after the election. The other way to mislead, of course, is by omission: the government did not say what it knew before the election; it did not tell people that its budget will require cuts, when it knew about those cuts. Of course, there are more than two ways to mislead the public, but I will concentrate on two ways that this government has misled the public. This government went to the election saying that its promises were fully funded and fully costed, when that was not true.

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I want to look at education because, as I pointed out, one of the ways to mislead is by omission. The government did not go to the people of Western Australia and tell them that it would make cuts to individual school budgets. These cuts will have a dramatic effect on a number of schools. I will look at some of the cuts that might take place in the East Metropolitan Region, which I represent. Let us look at what Jenny Fay from the Mount Lawley Senior High School board said about potential cuts to Mount Lawley Senior High School and what it has been informed will probably happen to it. Jenny Fay said that the school's funding would be cut by over \$500 000, but from my calculation it is probably closer to \$602 000. The Premier admitted that the cuts might be equivalent to one full-time teacher. Of course, the school board, whose job it is to manage this disaster in its school, assumes that it might be equivalent to three or four full-time staff. The school board and the school community are very angry about this. The school community understands why teachers have to take action today and why parents are supporting teachers who are taking action today. The school board and the 15 000 people who are at Gloucester Park as I speak understand.

Several members interjected.

The DEPUTY PRESIDENT (Hon Simon O'Brien): Members on my right will notice that the honourable member is addressing the Chair and is not taking interjections. I will get the member's name right; I apologise.

Hon ALANNA CLOHESY: Thank you, Mr Deputy President; you are not the first!

I was talking about Mount Lawley Senior High School, which of course is located in the East Metropolitan Region. The school board understands that teachers need and want to take this action because of the level of anger and concern that is directed at the cuts not only to this school but also to many, many schools across the East Metropolitan Region. Jenny Fay talked about the number of angry phone calls the school is receiving about the cuts and the turmoil that is creating at school. While staff are taking calls from parents and community members who are concerned about these cuts, they are not doing the work they should be doing because they are dealing with the turmoil created by the cuts directed at this school. Mount Lawley Senior High School is also a gifted and talented education school. That school assumes it will have to cut deep into that program, a program of which it is very proud and which attracts students to the school. It will probably lose at least one or two upper school language classes next year and will probably have to combine some other classes.

I will go to the other end of the electorate and consider Aveley Primary School, whose funding will be cut by an estimated \$92 415. That school works very hard at fundraising and it will have a fundraiser very soon. The parents and school community arrange a lot of fundraising activities over the year. They have plans for the money that they raise. They have plans for the money that will be raised at the swimathon in a couple of months. They do not know how they will manage this cut. They are still trying to work out what it will mean for their school. However, they now know that the money that is in the bank that they have saved from their hard work and school fundraising—they have been told by this government where to spend that money—cannot be used for what they had planned. That is shameful, because those school communities work very hard to raise that money.

Let us consider the Eastern Hills Senior High School, which will receive a cut of around \$329 000, and Ellenbrook Secondary College, with a cut of around \$300 000. I estimate Bullsbrook College has received a cut of \$333 695 per year. The pressure this will put on that school is outstanding. We also know that this government, through the member for Swan Hills, Frank Alban, actually promised a school for Ellenbrook north.

Hon Kate Doust: Is that anywhere near the train line?

Hon Ken Travers: Did he promise it or did Ben Morton promise it?

Hon ALANNA CLOHESY: Let us get to that—a school promised; another promise broken. Last night, at the fantastic 6PR, Channel Nine and WAtoday "Your Suburb, Your Voice" town hall meeting, the Liberal Party was represented by the member for Swan Hills, Frank Alban, who said that he never, ever promised a railway line to Ellenbrook. He said, in 2008, he never personally promised this. When he was asked who had promised the railway line, he said it was someone called Ben Morton. He said that he was not consulted about the promise for a train line or about that promise being withdrawn, when the promise was broken. It was someone called Ben Morton. I suspect that the Liberal Party state director made that promise without consulting the local member. That is what the local member said last night. Of course, he also said on 6PR prior to that that there would be a rail line to Ellenbrook. We now know that the promise made by the member for Swan Hills, the Treasurer and someone called Ben Morton has been broken—the state director of the Liberal Party's broken promise!

The issues of top priority raised at the community forum last night were crime and safety, and transport. There was huge disappointment with public transport to Ellenbrook and beyond—"pathetic" was one word used—and that there would be no train to Ellenbrook. The second issue people were concerned about was crime. Of course,

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the Liberal Party had promised \$13.5 million to improve closed-circuit television networks across the state, particularly in the East Metropolitan Region. We now know that promise has been broken.

HON JIM CHOWN (Agricultural — Parliamentary Secretary) [11.23 am]: On behalf of the government benches I congratulate Hon Sally Talbot for bringing this motion forward to the house today, because it gives us an opportunity to set the record straight on all the misinformation on education, on which the opposition thinks it can back the government into a corner. The Minister for Education has done that more than adequately in his response to this motion. Obviously, the opposition has a very short memory, because in 2008 its current leader in the other place, Hon Mark McGowan, was the Minister for Education who, at the time, when the budgets were running at massive surpluses, could not even put teachers into schools. He was unable to get teachers out of the teaching academies and put them into schools. In my Agricultural Region the inadequate numbers of staff was just overwhelming.

Hon Peter Collier: I wonder if Mark McGowan attended the rally the teachers had on lowest wages.

Hon JIM CHOWN: Absolutely; the minister is right. The Leader of the Opposition, Hon Mark McGowan, was the Minister for Education at the time and he wanted to cap teachers' salaries. He wanted to put a cap on them.

Several members interjected.

Hon JIM CHOWN: Hang on. Here we have the current Leader of the Opposition trying to make hay in regard to these reforms—reforms that need to take place—and he has forgotten that. It is an opposition that is trying to make very small gains on the government on a matter of great importance to this state. We have in this state an education system that is better than any in Australia and possibly one of the best in the world. This government has increased the education budget by 55 per cent over the past few years, and has put more than enough teachers into the system. We have built and opened new schools, and we have a system that is going forward. If members heard Paul Murray on the radio yesterday, he was trying to beat up on this, but much to Mr Murray's surprise, he had callers with disadvantaged children from the north metropolitan area calling in and stating that they were more than happy to see these reforms take place. They believed that their children who are in these education systems were more than adequately looked after. They were prepared to step back a bit so that the system could be more equitable, from Albany, to Kununurra in the north.

Let us get some facts on the table; thanks again to the Hon Sally Talbot who brought this motion to the house. There are no cuts in the education system; the budget has actually increased by \$300 million. The budget has increased by \$300 million! As the minister stated, there are over 18 000 employees, and next year there will be over 300 000 students. The education system takes up 25 per cent of the state budget. Any institution of that size should be reformed. It needs to be looked at, because inefficiencies take place when an institution gets to that size. These reforms are about the sustainability of one of the best education systems in the world. If the opposition cannot see that, it has no right to be in opposition and no right to be representing members of the public here today. It is as simple as that. The opposition cannot see that institutions of this size should be looked at on a regular basis to ensure that inefficiencies do not take place; to ensure that taxpayers' moneys are spent appropriately; and to absolutely ensure that the education levels, which this state is very proud of, are maintained into the future. We are not talking about today; we are talking about the future.

A very good example of this government's achievement in education is that we have highest teacher–student ratio in the nation, at 11.7. Regardless of the input of this government, we are falling behind on such things as the National Assessment Program — Literacy and Numeracy tests; the three Rs.

Hon Adele Farina: Why is that?

Hon JIM CHOWN: That is a damn good question, and it is what these reforms are about. The member has hit the nail on the head.

The DEPUTY PRESIDENT (Hon Simon O'Brien): Order! Hon Jim Chown is addressing the Chair and there is too much cross-chamber conversation.

Hon Peter Collier: Can I just interject? Can you give me one second? What the new model —

Several members interjected.

The DEPUTY PRESIDENT: Order!

Hon JIM CHOWN: Mr Deputy President, I am more than happy to take the interjection from the minister.

Hon Ken Travers: If you are looking for a new speaker, I am more than happy to serve!

The DEPUTY PRESIDENT: Order!

Several members interjected.

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The DEPUTY PRESIDENT: I am glad members are enjoying the debate and I am sure they can hardly wait for a decent interval to pass, after I give the call back to Hon Jim Chown, so that then the Leader of the House can interject.

Hon JIM CHOWN: Absolutely.

Hon Peter Collier: Under the current system, if you are in a class of less than 15 students, you do not have access to an education assistant. Our new system will ensure that every child gets access to an education assistant, which therefore will improve the system.

Several members interjected.

Hon JIM CHOWN: The minister is correct and has substantiated what I have said—this is a system that needs reform to make sure that into the future it is maintained at the level it is currently working at.

Hon Ken Travers: You are just cutting it this time.

Hon JIM CHOWN: When the member says that 15 000 teachers are on strike, and are at a rally somewhere down in the city, it is just an exaggeration of the facts, to the point where comments from the opposition on this very important matter should not be taken into account at all—not by the press or the public. The opposition is using emotional, not factual, arguments to try to make a political gain on the government. It is absolutely irresponsible on a matter of great importance to this state and this government. I condemn those members of the opposition for taking this line. They have not looked at the facts. They are not prepared to actually scrutinise the facts as they stand today.

Motion lapsed, pursuant to standing orders.