

LABOUR RELATIONS REFORM BILL 2002, IMPACT

732. Mrs EDWARDES to the Treasurer:

I refer the Treasurer to the admission in Parliament yesterday by the Minister for Consumer and Employment Protection that no economic impact analysis has been undertaken on the Government's Labour Relations Reform Bill.

- (1) Is the Treasurer aware of claims by the Master Builders Association that in many cases construction costs for public buildings such as schools will rise by approximately 10 per cent as a result of higher employment costs under union-driven agreements?
- (2) Will the Treasurer factor into the 2002-03 budget these increased costs for new capital works and will he also amend the forward estimates accordingly?

Mr RIPPER replied:

- (1)-(2) I am not aware of an admission by the Minister for Consumer and Employment Protection. I am aware of a statement by the minister about his view of the need for an economic analysis of our industrial relations reform package. It does not sit very well for the Opposition to be talking about economic growth in this State. The last financial year that the Opposition was in government was 2000-01, in which the economy declined by 1.2 per cent. The Treasury forecast for this financial year is a three per cent growth in the State's economy. That is below the average estimates from private sector forecasters. Access Economics is forecasting an economic growth rate of five per cent for this financial year. Presumably Access Economics was aware that part of Labor's program was a fairer, more balanced industrial relations system in this State to protect the interests of the most vulnerable of our workers. Economic prospects in Western Australia are excellent. The Government has worked very hard on providing infrastructure to support major resource projects on the Burrup Peninsula and also on offering assistance to the Ravensthorpe nickel project in the form of infrastructure assistance. We are working on economic growth in this State. We think the potential is very good. When I hear comments from the Master Builders Association about increases in construction costs, I believe those comments must be taken with many grains of salt. We will construct our budget and forward estimates on the basis of reputable economic analysis, not on the basis of partisan comments about the industrial relations reform package.