

**SUPPLY BILL 2021**

*Remaining Stages — Standing Orders Suspension — Withdrawal of Notice*

Notice of motion, given Thursday, 13 May, withdrawn by **Mr D.A. Templeman (Leader of the House)**.

*Second Reading*

Resumed from 5 May.

**MS M.J. DAVIES (Central Wheatbelt — Leader of the Opposition)** [12.48 pm]: I rise on behalf of the opposition to make a brief contribution to the debate on the Supply Bill. I thank the Treasurer and his staff, and the Department of Treasury, for the briefing that was provided to me and the shadow Treasurer a few weeks back.

This is not an unusual bill. We have seen a Supply Bill introduced in May each year, particularly in years in which we have had an election. A Supply Bill was introduced last year around COVID, to ensure the continuation of supply and therefore government services. Due to the election this year and the budget being pushed back to September, the automatic two months of supply is deemed insufficient, and this bill has been brought forward to allow the continuation of government services until the budget is passed in Parliament, which is anticipated to be in late 2021. As I have noted, the same approach was used by the Labor government post the 2017 election, and again because of the COVID pandemic in 2020.

The basic position of the bill is that it seeks an additional appropriation of \$15.1 billion to see the government through to the September budget. It is based on 50 per cent of the appropriations approved by Parliament for the 2020–21 financial year. On this occasion, the bill requests a bigger drawdown amount. My understanding is that it is split into two different funding streams, \$12.692 billion for recurrent services and \$2.414 billion for capital expenditure. No details are attached to those two figures, and I am sure that the Treasurer, or perhaps some of his advisers, will be able to provide us with a greater understanding of where that capital expenditure will go. Of course we understand, particularly in light of some of the challenges the government is facing at the moment around the crisis in both health and housing, and skill shortages, the need for recurrent expenditure to continue. We would argue that perhaps there needs to be some prioritisation to ensure the uninterrupted provision of health care, public education, police and child protection. This bill will allow the government to do that before we get to the budget and are able to provide scrutiny as an opposition.

We certainly look forward to being able to provide that scrutiny in this Parliament. Last year was an unusual year for everyone. The ability for us as an opposition to have people in the chamber to provide scrutiny was severely limited, and we understand why. We have now come through that period and have returned to some degree of normality, and we are looking forward to the opportunity through the budget estimates process, and of course through questions and the mechanisms that are afforded to us as the opposition, to make sure that scrutiny is underway.

Supply Bills also provide us with an opportunity to touch on some of the things that are important from both an opposition and a local member perspective. The government is asking for this considerable amount of money to allow it to continue to provide very important services. However, it would be remiss of me as Leader of the Opposition not to point out and put on the record that this government has overseen some very challenging issues. The government is continuing to push those issues aside and point the finger of blame at others, saying that it is beyond its control and that COVID has created some of these issues. COVID has no doubt exacerbated these issues, but we are seeing many red flags, including in the health system, that point to a system that has been in crisis for some time, and to the under-resourcing and lack of prioritisation of what Western Australians would consider to be the most important things that a government should do, which is to provide safe and efficient health services.

We also see issues in the housing sector. That is right across the board. No matter where I travel in Western Australia, people raise these issues, whether it is in the social housing sector with massive waiting lists for people who need a roof over their head, or the inability to house key workers in areas on which our state relies to generate the state's and the nation's economy. I go back to what I can remember from the construction boom between 2006 and 2008 when we had land shortages. The Liberal–National government inherited chronic housing shortages in the Pilbara in particular, which limited the ability for that community to grow and be a normalised community that would encourage people to choose to live residentially. We needed to take swift action to enable those communities to provide some degree of normality and to ensure that the small businesses in those areas—the cafes, bars and shops—could attract and retain staff and provide the normal services that we would expect on the doorstep of the generator of wealth for our state's and nation's economy. In places like Karratha, people were living in caravans and double-bunking in rooms in houses. It was an appalling situation. I have to say, having recently been back to the Pilbara, that those conversations have started all over again. We wonder how we could have got there again. After four years and the experience of everyone living through that construction boom, we now see once again land and housing shortages all along the continuum of the housing sector. It is very distressing to see that that is impeding the ability of our state to grow, and also that we are letting down the most vulnerable in our communities. To me, that is completely unacceptable.

The skill shortages that are emerging, and have been emerging for some time, are undoubtedly impacted by COVID and the inability of people to come into this state from overseas. Regional Western Australia relies particularly heavily on overseas workers in both the agricultural and horticultural sectors. However, it is not only those industries that are being impacted. Towards the end of my contribution I will note, from a wheatbelt perspective, as the member for Central Wheatbelt, that people are starting to miss out on great opportunities at a business level because of the impact of the skills shortage. I am talking about people like accountants and other qualified, skilled workers, and not just the unskilled workers our state has traditionally relied upon for some of those jobs that are seasonal and more challenging to fill from the local population.

This government came into office in 2017 with great fanfare about its plan to diversify our state's economy. If we look at what has happened over the last four years, we can say with great confidence that we are still significantly reliant on the fortunes of the mining sector, and that there has been a failure to diversify the state's economy to soften the blows of the great peaks and troughs. Not for one moment would I criticise our mining sector. It creates jobs and provides an enormous amount of opportunity for people in this state. It has really carried our nation through the very difficult past 14 months that we have seen. However, for us to be so reliant on the fortunes of this sector is letting our communities down. There are opportunities for the taking if funding is provided to remove some of the blockages that are impeding small businesses from reaching their full potential and the ability of new and emerging industries to grow. The failure to diversify means that when the next trough comes along—which inevitably it will, because we have all been here long enough to understand that these things move in cycles—we will see the devastation and the impact, with a shrinkage in our regional communities because people will be afraid to shift and invest and commit to living regionally. It will also resound through the outer suburbs of the Perth metropolitan area, because people make investments and build a life for themselves based on a mining sector wage that may not continue. We certainly saw that off the back of the last construction boom. I think people are suffering the hangover from that to a large degree.

Our message is that although the government talks about providing ongoing funding, and it has come back for a second term, its focus on diversifying our economy must be redoubled. This focus needs to stretch beyond the Perth metropolitan area and the industrial parks and industrial strips of Kwinana and into the regions. There are wonderful opportunities out there. I think people feel that they have not been given options to pursue or grow their own individual businesses that will create jobs and help reduce the reliance on government intervention with things like housing shortages. It would be true to say that it is very hard for a government to focus on those longer term plans when it has bushfires raging in a number of portfolios. There has been no shortage of that in the two weeks that we have been back in Parliament, and certainly prior to that. It would not have been the return to government that the Premier was anticipating off the back of such a strong election result. It would not have anticipated being thrown into a mire of chaos and crisis, even though the government will not admit to or use that word. Even blind Freddy can see that the health system is in crisis, and that must be acknowledged.

We have received advice from people working in the child protection sector that the workers are feeling just as angry, anxious, under-resourced and concerned about their work. There are real concerns about vulnerable children right across Western Australia who are being left exposed because we do not have the resources to support either them or their families. We will continue to highlight and investigate that because we cannot let those children and families down. The more remote from the Perth metropolitan area, the harder it is to put those resources into play and the harder the government has to work to attract people into those positions. That also comes back to, as we have just been touching on, the provision of appropriate housing and incentives to attract people into these very hard jobs. No-one is denying that the child protection sector is a considerably hard sector to work in. Unfortunately, we make it harder by not providing the support, funding, resources and people that the sector needs to keep those children safe. Similar challenges and similar issues have been raised with us about corrective services, which we will explore in coming weeks. Government workers are feeling exposed and under-resourced, they do not feel as though they are being listened to and they do not feel safe in their workplace. Corrective services deals with some very vulnerable individuals who need to be looked after, particularly in places such as Banksia Hill Detention Centre or anywhere in the corrective services structure that has an intersection of children. We need to make sure that we are providing support for those staff.

We have seen mass resignations from the Tourism WA board and shuffling of the deckchairs in these mega-departments, all hot on the heels of an election. We have had some discussions in this house already about the impact of the machinery-of-government changes and how they have flowed right through to every worker in those departments. Newer members to this house may not remember, but at one stage the Department of Primary Industries and Regional Development reached a crisis to the point at which intervention and support needed to be provided to staff who were feeling exposed, under-resourced and anxious about those changes. Psychological support needed to be brought in over and above the normal supports offered to the public sector. That was a direct result of the ongoing and continuous changes made by the creation of these mega-departments. The Department of Primary Industries and Regional Development in particular took an enormous amount of time to settle on its structure. I think it took until almost the completion of the first term of government before we saw an organisational chart and people being offered permanent jobs and an understanding of whom they reported to. I have to say that we still get consistent reports

that there are very unclear lines of reporting and duties of responsibility and that people within that department are feeling stretched. That continues right across all those departments. Now we have seen a shifting of directors general. I am not so naive to suggest that there are not different ways of managing our public service. In fact, when I was a minister, my chief of staff used to work in the commonwealth public service. The commonwealth public service prides itself on being able to shift senior executives around the public service to use their skills so people are not employed in only one individual role. The shadow Minister for Racing and Gaming, the member for Roe, has raised the issue that some areas of government require specific expertise, particularly in racing and gaming. Quite clearly, as a result of these machinery-of-government changes, a lack of attention has been paid to those very important areas that require specific skill sets. I think we are now seeing the chickens coming home to roost. The daily revelations coming out of the royal commission—we congratulate the government on calling for the royal commission because it needed to be dealt with—are quite horrifying. I think that the evidence provided by the director general to point out that he had no specific expertise in the areas that he had been afforded, not in his role as the director general, but as the chair of the—help me, shadow minister —

**Mr P.J. Rundle:** Gaming and wagering.

**Ms M.J. DAVIES:** Yes. He was responsible for a specific board as a result of being appointed to the role of director general, and that required expertise. Certainly, that lets down the person who was appointed to that role and it also puts them in a position in which things are occurring that I do not think any Western Australian would agree are appropriate.

We see these cracks showing up in the public service because of the machinery-of-government changes. When I had a briefing on the financial legislation bill—it is called the FLAB bill; I cannot remember the name, but that is the acronym and it caught my attention more than the full name—I was told about the proposed changes to financial reporting across government. We do not oppose that legislation, but one of the comments from those who provided the briefing to us was that as a result of the machinery-of-government changes it has been very hard to delve into the detail of organisations like Tourism Western Australia and that there was no requirement to provide specific budgets or expenditure or to allocate things against KPIs because it was rolled up into the department's broader budget. That cannot possibly be consistent with the government's rolled-gold promise of accountability. We certainly noticed it as part of the estimates process, not that we had an estimates process last year, but in the preceding three years we certainly noticed a distinct change in the opposition's ability to be able to delve into the detail of line items in individual budgets because there was utter confusion in some cases about who was responsible for answering the questions. We did not get the opportunity, at least not in the Legislative Assembly, I feel, to do the job of the opposition appropriately. The financial management bill that is coming through will be welcome because it will create greater transparency. With that will come an expectation that we can look at those real impacts and measure the accountability against what each of those mega-departments is responsible for delivering.

It would be remiss of me not to mention royalties for regions. Royalties for regions was one of the key tenets of the alliance we formed in opposition with the Liberal Party. Both our organisations have committed to returning integrity to the royalties for regions program. What the government has done to this program over the last four years is utterly outrageous. People in regional Western Australia and, I would say, in the metropolitan area, understand the need for the program and the unique challenges in regional communities. They understand that it is fair and reasonable to ensure that 25 per cent of all the royalties generated are quarantined and returned to those communities where the royalties were generated. It is not just the dollars that go with it, but the plan that goes alongside it. The royalties for regions program indicated that the government had turned its mind to the needs of the regions and that the government acknowledged the challenges in delivering services and infrastructure outside the Perth metropolitan area. It incentivised every department to think differently about how they might do that more efficiently and how they might innovate to fill some of those gaps.

It is challenging to be able to achieve that in a state the size of Western Australia when we have an Expenditure Review Committee process, with Treasury looking at the cost-benefit analysis. I have certainly been through that in my time. Sometimes those projects that make the greatest difference do not stack up on that register. They need the intervention of a program that allows us to fill that gap or for cabinet to say it believes it is important. That is what royalties for regions did. Certainly, when we were in government, it went through cabinet and Treasury. I know that accusations are regularly made that it was misused by our government, but it was all reported in full in our state budgets because we were proud of that expenditure. We were proud to see the changes that royalties for regions allowed us to leverage, alongside local governments, the private sector and the federal government.

I can absolutely say that when I reflect on that time, there was a real spring in the step of people who had an aspiration to make regional communities better. They were not just there to survive; they wanted to thrive. Royalties for regions gave them an avenue into government that allowed them to sit down with the development commission at a local level or the minister at the next level up and say, "I've got this great plan; where can I park it?" Not all of them got through, but for a long time before we came to government in 2008, a lot of those plans sat in the bottom drawer. The moment we gave people an avenue and empowered them at a local level to start thinking differently

about how they might change their community for the better in the long term, it made a fundamental difference in the number of people who saw living, working and investing in regional Western Australia as a viable option. But it does not happen overnight.

I get very upset when I hear people asking about the population differences over an eight-year period. I can point to things in my home town of Northam that have probably taken 12 years to really start to emerge as a result of infrastructure and spend that occurred in the very early days of royalties for regions. The program that was initiated for our regional centres in the very early days was called SuperTowns—the member for Roe is nodding behind me—and was mocked heavily by the then opposition. It inserted not the regional cities, because they were already recognised in the hierarchy of our state planning system, but the next communities down—smaller communities such as Katanning, Esperance, Northam, Collie, Morawa and Manjimup—into the state planning map, and the program also gave them an opportunity to implement a longer term plan. If there was growth, those communities could meet that growth but there was also a push factor—what did we need to do to drive that growth? Funding was provided to incentivise them to leverage those projects once they had been prioritised. From a wheatbelt perspective, we identified that aged care was a growth opportunity. Our problem in the wheatbelt is that we do not have enough people. The size of our towns is shrinking, or they are shrinking back into bigger regional centres. The growth plans allowed us to say to communities such as Northam and Katanning that they were allowed to grow and provide that regional service, much like our regional cities should have a plan to grow. We have created a regional cities portfolio because we think they deserve attention, given some of the challenges they face, so that we can have a plan to grow our whole state.

When I look at the eastern states and communities such as Bendigo and Ballarat in Victoria, and others in New South Wales and Queensland, I see that they are true regional centres. They have major hospitals, particularly the ones close to Sydney. Some of them have specialist services that people prefer to use rather than using some of the very congested Sydney hospitals. They provide educational opportunities for the people who seek to go through their higher education or even complete their secondary education or trade training. We still have a little way to go.

The University of Western Australia has a footprint in Albany, Geraldton has its universities centre, and there are the beginnings of a university centre in the Pilbara. Royalties for regions assisted the Geraldton Universities Centre to grow from an idea into something that can actually work and sustain and support student education close to home. Surely that should be an aspiration for every government, state or federal—that we grow our own so when nurses are required to support our health system, they come from a local area. We need a pathway that comes through from the school to the university centre and directly into that region. Whether they stay in Geraldton or move somewhere else, if someone completes their education and training in a regional centre, particularly in the health area, we know that they are more likely to return. It is a major issue.

I keep coming back to health because I fundamentally believe that if we get the health and education systems right in most of our communities, people will continue to invest. If people cannot educate their kids and access health care or aged care close to home, they will make a decision to move because parents and families will not compromise on those things for their families or for themselves.

Again, I look down the pathway of utilising royalties for regions, not just to fill the gaps, where there are absolutely gaps, but to innovate that service delivery. I look at the things that we did in telehealth and the changes to some of the smaller regional centres. Instead of maintaining a pile of bricks in Cunderdin, as we did for many years, with one person admitted to hospital, we gave the community a primary healthcare centre and said that we would rather fund the staff who are matched to the community's health needs to proactively be out in the community doing preventive health care, provide the community with an emergency department and a short-stay facility, and support it with a regional centre hospital model such as the one in Northam. Instead of the government continuing to fund an outdated old surgery, theatre, laundry and kitchen in a hospital that was built in Cunderdin in the 1970s, which it currently has—Pingelly was the same—and which had one long-term aged-care patient, why not do something different?

That is what royalties for regions allowed us to do—go to the Department of Health and use those really bright and innovative people to ask what they would do differently if they did not have to go down the model of what we have always done. How can we apply that in the Department of Education so that we can offer greater secondary education options right across regional Western Australia, so people have real choice and they do not feel like they need to leave their communities to finish their education? How can we apply that to any number of different portfolios? I think it is a loss where we see royalties for regions being used as it is now. I say that because at the moment an enormous percentage of it is going into things that the government has always done. It is not innovative; it is essential, but it should be funded from consolidated revenue or the department's portfolio main budget. I look at things like the subsidy that is paid to the Water Corporation, which is quite significant, that is chewing up a significant amount of royalties for regions funding that could otherwise be used for innovation, development and service delivery. It is simply going to the Water Corporation. I am not discounting the fact that it is doing a very

important job, but it was always paid out of consolidated revenue. It is an utter travesty given that we have a surplus of \$4 billion to \$5 billion. It is hard to keep up with the changes in the iron ore price these days, but it is significant.

Surely we should be looking at washing out all those things that have been put in there so that we can have a true regional development program and people can have confidence that this government is thinking about things beyond the Perth metropolitan area. We need a plan not just to develop our city through deals like the Perth City Deal, which is one of the first things the state government did when it came to government. I do not begrudge the Perth metropolitan area having a plan to ensure that there are topnotch university education precincts and upgrades to public transport. I begrudge that we do not see that similar thinking being applied in regional Western Australia, and that disappoints me greatly.

The royalties for regions program is capped at a billion dollars a year, but the significant amount of money that is coming through the state's coffers at the moment could be offered to it. We cannot discount that people looked to royalties for regions as an avenue to make their community and region a better place to live, work and invest in. There are plenty of challenges to be taken up and I, for one, would like to see those funds that have been put in there, taking up those resources, shifted back into consolidated revenue. Surely if we get to the end of this year with the projected surplus and there has not been any shift, we can confidently say that this government does not have any intention of utilising that opportunity, it is not committed to royalties for regions and anything it says in relation to that program is mere lip-service. It will be truly disappointing.

I want to touch briefly on something that is happening from a local electorate point of view. As the Leader of the Opposition and Leader of the Nationals WA, I travel around this state and, obviously, some of the themes that I have touched on today are prevalent everywhere. Housing shortages and skills shortages come up in every conversation no matter where I am. I have been in Carnarvon and the Pilbara over the last two weeks. I have had discussions with people in Albany and we receive feedback from people in Geraldton and Kalgoorlie on a regular basis.

**Mr P.J. Rundle:** Esperance.

**Ms M.J. DAVIES:** And from Esperance, too, member for Roe. This state is crying out for some solutions. Again, I point to the fact that if there were real intent to try to address some of these things at a regional level, there would at least be a program that was dedicated to trying to address some of the challenges blocking that growth.

The Wheatbelt Business Network sent me a position paper that it released today. The Wheatbelt Business Network is essentially a chamber of commerce for our wheatbelt communities. There is a chamber of commerce in Northam and we do have individual chambers that are associated with the regional chambers in the state. The WBN covers the member for Roe's electorate and parts of the member for Moore's electorate. We have lots of small communities. The communities I represent range from 200 people to 7 000 people in Northam, and this paper covers off some of those smaller communities, where there are not significant numbers of people, and aggregates them. Those communities have been struggling with the skills shortage factor for some time, not only from an agricultural perspective. I think it is a misunderstanding that although ag underpins many of the jobs in the economy of the electorate of the Central Wheatbelt, many others contribute to the economy and the majority of them are small businesses. Some small businesses have aspirations to grow into medium or large businesses, and we do have some very significant businesses. A quote that struck me the most was in this paper titled *Wheatbelt jobs: Position paper* and it is written by the Wheatbelt Business Network. It starts by asking —

**What do you see when someone asks you to picture regional Western Australia?**

I have highlighted a few sections because they are very useful in making the point that the Wheatbelt Business Network is crying out for assistance to deal with the skills shortage that is costing it and the community not only cold, hard cash, but also the ability to grow and support the growth of our entire state. Caroline Robinson, the CEO, makes very astute points. She stated —

Not only do our regions make a disproportionately large contribution to our nation's economic wealth, rural Australia is also a powerful incubator for new businesses.

...

Regional Development Australia ... Wheatbelt reviewed nine job sites and surveyed a database of regional organisations and businesses in November 2020. They registered a total of 464 vacancies across the Wheatbelt, with this list not including the multitude of positions that are now only advertised on social media sites. The situation has worsened significantly since then.

The paper then lists examples of what that looks like, because statistics are stark and a little bit dry sometimes. It refers to Bruce Turton of Rural Traffic Services and Maarli Bidli Traffic Services, whose head office is in Corrigin. For those who do not know where Corrigin is, it is about 220 kilometres south-east of Perth. That business also has branches in Esperance, Kalgoorlie, Northam and Narrogin. Bruce is quoted as saying —

“People want to use us because we're a local traffic management company but we just can't get enough staff to satisfy demand.

Since December 2020 we've missed out on projects totalling \$2.5 million, if not more. There's not a single day that goes by when I'm not turning work down. Prior to Covid-19 we had backpackers and transient people coming over from the east on a 12 month to three year working holiday around Australia. Some would stay a month but some people really liked what we had to offer and they'd stay for six or 12 months. But we're not getting these people anymore. We're now relying on locals and we just don't have enough of them."

The paper continues —

The lack of recognition of this problem at State and Federal Government levels —

Because there is an intersection here of both —

is ... resulting in a lost opportunity to build economic strength and diversity, and represents a huge lost opportunity ...

A number of businesses are highlighted throughout this position paper. Andrew Mead of The Ag Shop states —

"Failure to grow and diversify is our biggest issue.

It has a debilitating effect on regional business —

Our business is currently experiencing a growth and transition period. We are aggressively exploring new opportunities for business sustainability. The landscape in the agricultural sector has seen enormous change in recent years. This has forced our business to diversify product and service offerings in order to remain viable. We have been quite successful in this endeavour, however, our vision for the future is being stemmed due to an inability to recruit staff. Not just staff with the necessary level of experience or qualifications, but staff in general who want to be here. We have a number of other avenues that we would like to explore and expand into, but we physically cannot service these areas with our current staffing levels."

The Wheatbelt Business Network also states that the footprint of state government-owned enterprises, like Western Power and Water Corporation, is slowly creeping back into the Perth metropolitan area and that has been seen again and again. As an opposition, we have previously highlighted over the last four years our disappointment that although there was great glee when the department of agriculture and food's site at South Perth was upgraded and finally received a facelift, there is an intent to shift the Department of Primary Industries and Regional Development's headquarters into the city centre. I find that amazing and a missed opportunity given that in all our regional centres there would be a place for staff and support staff to be present in the areas that they service. Although it is important that we have a centre for some senior executives—I can understand that—I am not sure that we need to have all of them based in the Perth metro area. This is, to me, a missed opportunity by this government to demonstrate that there was a commitment to decentralise, but it appears that that opportunity has been missed.

I quote again from the Wheatbelt Business Network position paper —

Governments have also made it hard for rural businesses to keep skilled overseas immigrants who want to work in rural Australia —

That is a federal government issue and we have been working with our federal colleagues to try to address that — and have manipulated and drained funding programs like Royalties for Regions that supported regional growth.

...

Matt Woodhouse of Yilgarn Plumbing and Gas in Southern Cross echoes these sentiments, "The Western Australian Government has made the mistake of being Perth-centric. Everything is Perth oriented, everyone is supposed to live in Perth and fly out to jobs. The fly in fly out mentality in Western Australia has killed a lot of regional towns. The government currently doesn't offer any incentive or benefit to actually have people live in regional towns when they could easily give the mines a tax break for housing half their workforce in the town they are operating from. ... If Royalties for regions hadn't been around, how many things wouldn't have been built? And Royalties for Regions is all but wiped out now. The money isn't spent out there, all they spend it on is roads."

I am from the central wheatbelt and I welcome investment in roads. I have no question about that, but I think there is, very clearly, an understanding in our communities that expenditure on roads is not the only thing that the government should be doing to drive regional development, whether it is Andrew Mead from The Ag Shop; Dannelle Foley from Bencubbin Truck N Autos; Matt Woodhouse from Yilgarn Plumbing and Gas; Ley Webster, who owns an agricultural labour supply business named 2WorkinOz, who is constantly trying to source people to support our agricultural sector; or John Trunfio of Hutton and Northey Sales, who is tearing his hair out trying to ensure that training is available so he has heavy diesel mechanics, only to see them sucked into the mining sector at the end of that process. His business has been operating for more than 40 years and has branches in Merredin, Mukinbudin, Cunderdin and Corrigin. He has plenty of ideas about how these challenges could be addressed. He

wants to employ apprentices and trainees and he wants to employ locals. He actually employs people out of Perth. They come to him because they know that they are going to be provided with those opportunities, but he cannot get enough of them and he has not been able to get the support of the TAFE system to really meet the needs of his growing and expanding business. These businesses feel like they have nowhere to turn because the regional development commissions have been neutered. There is no longer any local strength in any of the nine regional development commissions. That is not a criticism of the individuals who work there; they are all very passionate people who are dedicated to regional development. But they have no access to funding or decision-making, and they have been absorbed into the very centralised format that was created by this state government.

I will forward this document to the Premier to ensure he has a copy of the concerns that have been raised by these businesses about the impact of skills shortages. They are willing to work with government to try to address these challenges. This is just from a wheatbelt perspective. I could not let it go through, because I opened it and I saw that they remain incredibly positive about their future, but they feel they are being hamstrung by a lack of investment in, understanding of and attention to the things that matter to them most. I have to say, that experience is reflected no matter where I am in regional Western Australia.

The government would do well to reconsider how it has used royalties for regions over the last four years. It would get huge kudos if it were to use the surplus that it is undeniably going to have. Firstly, the Premier has a few bushfires to sort out in respect of the issues we have in health. He will get no argument from the opposition if he makes sure that that money is prioritised to deal with the most fundamental issues. The long-term view for the development of our state should not be lost; the diversification of our state's economy should not be lost. It is important to have programs like royalties for regions and avenues for the people who live and work at the coalface in regional Western Australia to be able to access those funds.

We do not want to see those funds chewed up by normal, everyday government expenditure. The government can surely afford to shift that money back into consolidated revenue and allow the aspirational royalties for regions to return with the integrity it once had. I know that the criticism will be that the government thinks the opposition wants royalties for regions to go back to what it was like in 2008. We have never said that. We have always said that royalties for regions should continue to evolve and grow, and that as the challenges we face as a state evolve and grow, that funding should be used to meet those challenges head-on. If there are better ways of doing things and more effective ways of delivering that funding, we are open to that, but the government is filling royalties for regions with ordinary, everyday government expenditure and then saying it is delivering on its promises and commitments to royalties for regions. I think that is duplicitous, and I think people see through it. That is certainly the feedback I get. The government has a real opportunity here to make sure that, over the course of the next few months after we approve the Supply Bill 2021 and the government gets on with business before its first budget of the new term, it makes some decisions to actually give regional Western Australians some confidence.

Regional Western Australians were rattled, I have to say, by one of the first things to come through the new Parliament, which was an announcement by the Attorney General that the government was going to pursue electoral reform. Once again, I put it on the record that the opposition is not opposed to sensible reforms that deal with the preference harvesting issues that have arisen. That could have been dealt with over the last four years, but it was not. We have no problem dealing with sensible reform on that front. However, we have serious issues and concerns about reducing representation for regional people in this state Parliament, because that is certainly where we are going to end up. We are resigned to that fact because the government has an enormous majority and can do what it likes, regardless of the so-called independent committee and inquiry it has established. That is a farce; there is no other way to describe it. It is a complete farce. We will, no doubt, see a reduction in the number of members from regional Western Australia and a reduction in the number of people in this Parliament who have lived, worked or invested in the regions and who understand and can access the far-flung areas of the state to bring their issues back to Parliament and raise them with the government.

I have serious concerns about being constantly told that we now have far better travel and communication connections that allow us to represent our constituents. To my mind, nothing replaces face-to-face contact with members' constituencies. My constituency covers more than 100 000 square kilometres, and it is not the largest in this state Parliament. It is difficult to get across an electorate that large, with many population centres of very small numbers, but it is probably equally challenging for members who live in a regional centre like Geraldton or Kalgoorlie and balance that with being in this place, carrying out their duties. It is frivolous to suggest that all these meetings can be conducted via the use of Zoom. We have lived through a pandemic and we are all far more connected, but the conversations that matter are face-to-face, and the way that members demonstrate to people that they care and understand is by turning up. That is why it has always been a priority of mine, as a local member, to make sure that I am present. That is more challenging when a member becomes a minister, leader of a party or Leader of the Opposition, but I can tell members that it is still very much front-of-mind for me. There are things that happen when members meet with people or visit their communities that allow them to join the dots between the things that are important to them and should be raised. That is something that will not happen with someone making an appointment

to see a member in their electorate office, assuming constituents can make an appointment to see their member in their electorate office. I inherited two electorate offices, one at each end of my electorate—one in Northam and one in Merredin. The southernmost part of my electorate is at Kulin and it extends across to Boddington and north to Mukinbudin. There are members of my constituency who would find it almost impossible to come into my electorate office. I make the commitment to go to those communities.

There are no changes proposed in the Legislative Assembly; I understand that. But the state government is proposing to reduce the number of members in the Legislative Council who have an opportunity to travel and visit and work in the regions, no matter what party they come from. I am struggling to understand this notion of mathematical equality that the Premier keeps putting forward as the reason why there must be change. That certainly was not on the agenda prior to the election in a public sense, although it has always been part of the Labor Party's agenda. It was thwarted in the run-up to the 2008 election. It could not get the full changes it wanted, so it is coming back now. It did not have that conversation with the community and I do not think people are engaged on this issue.

That will be brought into sharp relief when we see a reduction in the number of regional members in the house of review of a state the size of Western Australia. That representation should reflect the complexities, diversity and balance that we need to find across both houses of Parliament. One vote, one value exists, to a degree, in this place; there is still vote weighting in seats with large area allowances, particularly in the mining and pastoral regions. The Westminster system never, ever anticipated that that would be applied equally across both houses of Parliament. I find it disingenuous for the government to advance some notion that inequality exists. I think the way we have the Parliament set up at the moment actually allows for equality. It is very disappointing to me.

To come back to the Supply Bill 2021, if we are talking about the priorities we should be dealing with and the money that this government is asking for, we should be focusing on the challenges across our health system; housing issues across the continuum of the housing portfolio; and issues in the child protection sector. These are the most vulnerable people, and we have a responsibility to look after them. There are so many issues that should be on the agenda before we get to electoral reform. I am not naive; I think that absolutely this has been rushed through because the Premier is banking on the fact that the people of Western Australia will have well and truly forgotten what Labor decided to do to regional Western Australia by the time we get to the next poll. I can assure members that the opposition will not let that happen, because it will be on the record that Labor has sought, not once but twice, to reduce representation in regional WA. I say to the regional members in this chamber and those members who will vote for it in the other chamber, "Shame on you for coming to this place and purporting to stand up for people who live in regional Western Australia and who drive this nation's economy. You are doing that on the pretence that you want equality for everyone, when all you will be doing is increasing the city-country divide by reducing the number of people who can bring their expertise to this Parliament."

Obviously, we have every intention of providing support for the Supply Bill. I have indicated that the opposition will do that. I have thanked the Treasurer for the briefing from his Treasury officials and office. Thank you very much; that was done in a very timely fashion. However, there are a number of issues for which we could be using the funds that will be brought forward as a result of the Supply Bill and the Treasurer's advance, which we have already debated, to ensure that we are focused on the priorities that the people of Western Australia expect. As the government was elected on the basis of keeping people safe, I would think that a vast majority of that money would go towards our health system and provide some level of confidence to the people of WA that resources will be provided to support those people on the front line—our doctors, nurses, clinicians and all the administrative support workers. All the angst and the outpouring of anger that we saw at the rally yesterday needs to be acknowledged as a crisis. Some of these funds need to be directed towards making sure that we see an immediate improvement. The only way to do that is to acknowledge that there is a crisis in the first instance, but this government seems reluctant to do that and that is very disappointing.

With that, we will allow the bill to proceed and look forward to seeing it progress through both houses of Parliament.

**MR P.C. TINLEY (Willagee)** [1.42 pm]: It is with great pleasure that I rise to speak for the first time in the forty-first Parliament, along with so many who have preceded me since the opening of Parliament. I would like to acknowledge and congratulate all the new members in this place and in the other place. In doing so, I also acknowledge the 11 members of this place who did not retire at the last election but did not return; they are the fallen in political terms. It highlights for all of us the fickle nature of both politics and this place. Giving a valedictory speech is indeed a privilege and never guaranteed, and there are members who never had that opportunity, even those who had significant years of service in this Parliament, so I acknowledge them and honour their service to this place and to their communities.

I would also like to take the opportunity in this general debate on the Supply Bill to thank my constituents who have again returned me in greater numbers than in previous elections. I am deeply grateful for and, as is so often said in this place, humbled by the support I have been given in my community, even in my absences when I was a minister of the government and was basically missing in action during those periods because of the commitments that are made when a member joins cabinet. I would also like to thank my electorate staff, particularly Peter Feasey,



who has been with me for over 10 years now—the curmudgeon of the south, as he is called. He is deeply loyal to the party and to the outputs of this government and the labour movement.

I also note the quality of speeches in this place by the new members who have joined this chamber. They were singularly very impressive. When I was talking to the member for Forrestfield, we both reflected on the various cohorts. I came in 2009, relevant to the 2008 cohort, and he came in the 2017 cohort. I have to say that the quality of the contributions of the new members and the life experiences that they are prepared to deliver for the people of their communities and the whole state leave those of our two cohorts for dead.

As I have said and will continue to say, being in this place is a deep privilege. There are approximately 2.6 million people in the state of Western Australia, yet only 59 of us sit in this place. That of itself is an honour that I will never ever forget. That of itself is a call to service that none of us should ever ignore. Even further than that, 17 members of both chambers get to serve in cabinet, and that is a singular honour that I am proud to have shared in. To serve in cabinet, and serve beyond just my electorate, from 2.6 million people is an immense experience that I will never forget and will be grateful for for the rest of my days.

If nothing else, as members might have detected, we are leaseholders of these seats. In fact, in heritage terms, we often talk about bricks and mortar as being the foundations of the natural heritage or the natural environment, but there is another heritage—that is, the lived heritage. This building, which was opened in 1904, has been continuously occupied by the very people it was designed for—us, as members of Parliament and representatives of our electorates. We are sitting in seats that have been continuously occupied for all that time since that period. That of itself is a deeply grounding thing for me. Somebody has been sitting in our seats, representing these electorates, for that entire time. Each member is but one person passing through that heritage, so members will come and go. In that time, I have paid very careful regard to the sorts of things I want to achieve in this place, and some of those have in part been achieved, but there is yet more to do.

If I could give some gratuitous advice to new members, it would be that they are entitled to, and, in fact, are expected to, have an agenda for the sorts of things that they want to achieve. Members may not yet know what that is. They may be working that out, but it will come to them, if it has not already. Some people may have been thinking about politics and about the change that they want to create in their community and in their life and have come here with a very well formed set of ideas that they want to pursue. If members do not have an agenda, they are going to have an empty time, and the emptiness will come in reflection in the years after they leave this place. Several members in the other place had only one term; they had only four years as a member of Parliament and they had the balance of power. They needed only one vote to move to the government benches and they could have created all sorts of outcomes from their ambitions, but not one of them took the opportunity to seize the moment and achieve a certain outcome or a change for their community from their agenda that would have delivered a better Western Australia. Instead, in robotic fashion, they just followed like zombies, voting with the government in some misbelief that they were going to get—I do not know what—some trinket in the cargo cult context fall out of the sky for them.

That is a salient experience for each and every one of us. We are leaseholders; we are temporary occupants of these seats, so we need to have an agenda. But where do we get our agenda from? I was given cause to re-read my inaugural speech, which I have not done for 10 years, and in it are the seeds of the sorts of things that formed my agenda. It is quite interesting that that insight in my own inaugural speech has actually played out for me in those 10 years.

As I say by way of advice to new members in this place, they should look at what they said in their inaugural speech and from that they will find the kernel of opportunity for themselves and they can pursue that agenda through many devices. They do not need to be a cabinet minister to achieve the objectives that they might set for themselves. They can do it through the very seats that they occupy. There will be an opportunity to, and an expectation that they will, make spoken contributions in this place, which is of itself a method for change. Our ministerial colleagues are first among equals in that context. They occupy a seat just like other members and they occupy a cabinet chair in addition to that. They are our colleagues and they are, like each and every one of us, approachable and ready to serve all of the constituency that comes with being a minister. Obviously, it goes well beyond the geography of their seat to an extended version of a constituency, which comes under the portfolios they hold. Ministers are extremely open to approaches from members about the sorts of things they want to achieve.

The other area is the committees. We have installed today across the road the committees for the lower house. They are ready to go and they will start cranking out the sorts of things they have done for time immemorial. There is an opportunity for members, even if they are not a member of a particular committee, to take an interest in the things that any one of those committees might be inquiring into. Members can approach their colleagues, particularly the committee chairs and deputy chairs, to see whether they can join the committee for a specific hearing. Members can attend a committee hearing and listen in. In fact, they can even be co-opted by a motion in this place to be a member of a committee for a particular part of an inquiry, so devices are available to do that. Members can lobby to have their particular issue investigated and considered by a committee. They do not always conduct a yearlong

inquiry. In fact, there are many short inquiries and committees can look into several issues at the same time. I implore members to consider the committee system. It provides a wealth of experience, advice and opportunity to have one's agenda heard and articulated and, in fact, improved upon.

When I reflected on my own experiences in the past 10 years, I realised that the only true opposition to us is time—time to get things done, time to get an agenda together, and time to lobby and deliver it. As the man Keating himself said, “We all go out in a box.” That is no different for any of us. In electoral terms, we will go out in a box and we do not necessarily get to choose the timing of that.

I have already noted from some new members how boring this place is and how hard it is to sit here in the worst economy class seats you will ever sit in. It is a difficult place to sit and hear the drudgery of the daily routine as it flicks past in a cadence that is like watching grass grow. But I will tell members this now: the days are long but the years are short. It will be the 2025 election before any of us knows it. That was said in the last caucus after the 2017 election. The Premier was at pains and is continuously at pains—he is like a cracked record—telling people that the campaigning, activity and action starts the day after we are elected. I completely endorse the point he makes that we will be at the next election before we know it. Those with children of a senior age, particularly those in their 20s, will reflect at their next birthday party and ask, “Where did that time go?” It is very much like that. We foster a child of ideas, if you like. It will grow and graduate before we know it. We do not want a stunted growth, that is for sure!

As I reflected on my inaugural speech, I noted that I made a great feast of talking about the bedrock of the economy of Western Australia entrenched in the resources sector—entrenched generally in the natural endowment of the state of Western Australia in all its forms. I am not talking just about the resources of the rocks and crops—the things we take off and out of the land—but about the living heritage, what a wonderful place it is, and the liveability of this great place and, quite frankly, its gift from a mystical body that gave us this opportunity to be here in Western Australia in our time zone, at this time, when the greatest economic opportunity exists three to four hours' flight time to our north. It is not on the east coast, not anywhere else, but directly to our north. I commented in my inaugural speech about the cultural impact of the greatest of those resources that we extract, and that is iron ore. The cultural overhang and penetration that that red rock has on our community never ceases to amaze me. Like everyone here, I do street corner meetings from time to time. It has become a bit of a plaything of mine to introduce iron ore as a concept when talking to the group of six or so who turn up for the meeting. When I raise the idea of iron ore, it never ceases to amaze me how somebody in that pack of five to seven people know the exact price of iron ore. Where else in Australia can we gather citizens on any spot in any place on a street corner and they would naturally know the price of iron ore? We are inextricably linked to the red rock. It has created the greatest single transformation in two generations of wealth for us and our children as they come after us.

That also has a downside. The expectation that this behemoth that is the resources sector, particularly iron ore, will deliver forever and ever the quantum of profit and dividend in all its forms, in both jobs and cash in kind, as they say, is a fallacy. In large part, we have been sucked in silently, walking towards the idea that it will forever be the goose that lays the golden egg. I am here to tell you that that is not the case and that is something to which we need to give absolute regard. We in this place—not just those in cabinet, but all of us—need to understand not only the cultural connection that everybody in Western Australia has to iron ore particularly, and the resources sector generally, but also where it will take us if we do not consider the possibilities that one day it will end. Yes, I am talking about the end of iron ore. I know that might sound a bit controversial and a little precipitous, but it is the kind of thing we should be talking about in order to alert people to the two stems of resistance. One is the embedded cultural belief that it will be forever—not by us who think and look at these things, but by those in our electorates who go about their lives and try to improve their lot, looking after their families and participating in this great economic opportunity.

**Mr V.A. Catania:** Member, do you think we should be charging more for our iron ore?

**Mr P.C. TINLEY:** I have many, many views, member for North West Central, but some that I will articulate in my own words in my own way. We extract enormous dividend from both iron ore and all the other extractive industries. It is incumbent on us to look over the horizon at what change and disruptors are coming.

The second thing I am talking about is the structural changes that will happen in the global supply of iron ore to which we have to give regard. I am not able to put here in exact detail when and where and what the circumstances will be for that. However, if people think the state is extracting an infinite resource and it will go on forever, they are delusional. It will end. How it ends and the circumstances of its change is something that we need to be focused on because we need to be able to create a circumstance that allows us to transition. The things that do and will influence the nature of the change in our largest extractive industries are manifold. They are sometimes accelerators and complementary.

A lot has been made about the advent of Simandou, which is a 110-kilometre iron ore range in the West African country of Guinea. It has some of the richest deposits of iron ore ever seen on the planet. It is something like 65 to

66 per cent Fe. It represents a singular ore body that is quite a disruptor. In its mature state it could account for as much as seven per cent of global supply. The problems with getting Simandou to market are manifold, not the least of which is the 600-kilometre rail line that will have to go through Guinea to the proposed port, Matakong. The other issue is the \$18 billion it will take to produce the port, rail and mine infrastructure required. They are not insurmountable issues because they are simply engineering issues. There is also the issue of sovereign risk that is resident in some African countries; again, that is not insurmountable. Where desire meets capacity, it has found it in the partners between Rio Tinto and Chinalco, which own two of the lots in that Simandou project. They will invariably link up with the other two lots and collaborate in a joint venture for the construction and delivery of the infrastructure. The other two lots are owned by the Singaporean conglomerate of investors. At some point in the future, it is going to represent an enormous opportunity for us.

We can look at what we can do to create a set of circumstances that will provide a future for our kids and their kids. It is incumbent on every one of us in here and on every individual in Western Australia to become alive to the issue—not to panic or worry about things too much, but to have a weather eye on it. We have the opportunity to create the alternative—it is not an “either/or” conversation; it is an “and” conversation. It is not just a counterpoise industry for the resources sector; that is irrational. The resources sector is a \$115 billion behemoth. The next biggest industry sector for Western Australia is agriculture, at \$9 billion or \$10 billion. There is a triple-digit international business next door to an industry worth \$9 billion or \$10 billion. It has inherent risk. There are 2.6 million people in the state and we do not need too much whiplash in the resources sector to create the discomfort in the unemployment figures that we see from time to time in the commodity cycle. We have lived it. Basically, every seven years or so there is a commodity cycle. The property cycle follows it and employment naturally moves with it. We are not talking about making a counterpoise industry to the resources sector; we are talking about taking what has been good and extracting a dividend. Again, that can transition us to a diversified economy. Essential and central to that is ensuring that that diversified economy gives regard to what I refer to as the miracle of the time zone that we have been gifted in Western Australia. Between three and five-hour flights from Western Australia is the single largest growing consumer class in the world. Somebody is added to the genuine middle class of the world every five minutes in Asia. That is the opportunity that we need to hook up to, and we cannot diversify our economy without diversifying our markets.

Debate interrupted, pursuant to standing orders.

[Continued on page 799.]