

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 15 September on the following motion moved by Hon Stephen Dawson (Minister for Mental Health) —

That pursuant to standing order 69(1), the Legislative Council take note of tabled papers 534A–D (2021–22 budget papers) laid upon the table of the house on Thursday, 9 September 2021.

HON TJORN SIBMA (North Metropolitan) [11.31 am]: I might use this opportunity to shift gears somewhat after what has now become the obligatory slanging match on a Thursday morning. It is good to see adversarial parliamentary democracy in the raw, which is what we have just witnessed. I want to make some observations about the quite extraordinary budget that was read into this place last Thursday, talk about some macro issues, focus on matters pertinent to the issues for which I have shadow portfolio responsibility, particularly environment, and focus on why we are in this place and why we should continue to focus on the continued welfare and betterment of our fellow citizens of Western Australia.

An operating surplus of some \$5.6 billion is obviously a story in itself. Although it was remarked recently that that is a record in the Western Australian budgetary context, it is nearly a record nationally. I think New South Wales pipped us by \$100 million on a revised view. We are living in absolutely extraordinary times but are we making the most of these times? On a clear-headed assessment of the budget and the priorities laid out therein, I do not think we are. Overall, the budget attempts to play catch-up to a series of maladies across a range of critical service areas that have come about as a consequence of consistent government neglect over the previous four years. That is why there has been the announced spends in the health and mental health portfolios, why we are still playing catch-up in police service and community safety and why we are playing catch-up on the issue of homelessness.

Listening to the debate in this chamber yesterday on the motion put by Hon Jackie Jarvis, one might have been beguiled into believing that this budget is solely the manufacture of the McGowan government and its superior skills of financial management. I witnessed this government's financial management over the course of the last four and half years. To be frank, it has done some things well and some things exceedingly poorly, but it cannot claim that the budget result that was handed down in this place last Thursday is solely the consequence of its assiduous and superior financial management skills. The surplus was a gift, almost a gift from the gods, and I would counsel Labor government colleagues in this place to not mock the gods in the way that they do and take credit for the fortune they have been bestowed. It is very dangerous to tempt fate, but they seem to have done so. This is not just a whimsical assessment; this can be seen clear as day in the budget papers themselves, which is worth reiterating.

I refer my colleagues, if they are so tempted, to budget paper No 3, which provides the economic and fiscal outlook for the state. Page 78 provides an overview of the royalty income received by the state. The estimated actual for the financial year just concluded was \$12.1 billion of royalty revenues alone—\$12.1 billion just from royalties. It is also worth reflecting on what composition of that royalty largesse, that bequest that we received, was contributed to by iron ore royalties. Of that \$12.1 billion, \$11.3 billion came from iron ore royalties. Ninety-three per cent of the state's entire take-home royalty pay last year was derived from iron ore. The total revenue received by the government was \$40.2 billion; effectively, that \$11.3 billion of the \$40.2 billion represents 28 per cent of the revenue that we earned. How was that revenue earned? Was it earned as a consequence of the superior management skills of the now Treasurer, the luckiest self-appointed Treasurer in the world, Hon Mark McGowan, or his erstwhile predecessor in that task, Hon Ben Wyatt? No. We know the reason. It is largely because iron ore has been hovering above \$US200 a tonne for an extended period. That is an extraordinary price. Our major competitor in iron ore, Brazil, suffered an enormous tailings dam collapse maybe two or three years ago, which obviously ratcheted up the price of iron ore and we were able to outcompete our natural competitor. None of that came about as a consequence of the management or foresight of Mr McGowan or his predecessor in the role of Treasurer, the now highly successful Hon Ben Wyatt. Unless somewhere buried in this budget is some reference to a Western Australian Treasury special operations team with a global reach that can go and take out our competitors and provide us with a strategic competitive advantage, the government cannot claim credit for the result.

These extraordinary times will continue to some degree. For the budget estimated year 2021–22, the year that we are in, we are anticipating the receipt of \$9.2 billion in iron ore royalty income out of a total expected royalty income stream of \$10.1 billion. Of our royalty income this year, 91 per cent will be derived from iron ore. That is who we are. That also represents \$9.2 billion out of the total \$38.3 billion of royalty revenue we anticipate this year, which is something like 24 per cent. The contribution of iron ore royalties alone is effectively 25 per cent, or a quarter of the state's income. That is from one commodity. That degree of specialisation or narrow and deep focus embeds obvious risks. I will get to that later, because the budget papers speak of risks. I do not think they contemplate all of them. For many people, this is rudimentary, but as a trade-exposed and commodity-based economy such as ours, our financial fortunes are largely dictated by forces outside our control—for example, parameter movements in foreign stock exchanges, commodity prices fluctuating, exchange rates fluctuating and the like.

For the uninitiated, I think it is always good to look at what people in Treasury routinely prepare as part of budget paper No 3, which is the statement of risks. Ordinarily, as indeed they have done this year on page 51, there is an assessment of parameter sensitivity. This, effectively, tells us what variability in income we can anticipate, for example, through 1¢ decreases or increases in the Australian–US exchange rate as it relates to royalty income and North West Shelf grants. A 1¢ variability will affect take-home revenue by \$147 million. A \$US1 fluctuation in the price of iron ore represents a change plus or minus of \$82 million in take-home royalties. This should mean that we can never be too complacent. Indeed, I recall one of the criticisms that the present government had in version mach 1—“mach” rather than “Mark”—was that the Barnett government did not do enough to diversify the state’s economy. All right, but what has this government done to diversify the Western Australian economy?

I recall the blandishments and the sort of campaign poetry about a deeper and closer engagement with the Asian economies at our doorstep. There was the formulation of a Minister for Asian Engagement, with great fanfare. There were talkfests and speculation about what this would mean for the Western Australian export sector. What happened to that concept? It seemed, unfortunately, to have died, along with what I would consider to be the mysterious removal of Hon Peter Tinley from the cabinet. I thought he was a minister of the first rank. I enjoyed immensely my dealings with that member over the previous four years, and I think his absence from the cabinet is a hole that has not been filled. I recall that he had the portfolio at some stage; I forget when because I think Hon Bill Johnston also had that portfolio. I do not see what the problem was. Regardless of whether he was successful, he just seems to have disappeared off the radar along with, I think, generally speaking, the so-called commitment to diversifying this state’s industrial base. This reflects the very clear incontrovertible risk that a Western Australian government of any political hue will always face. We have a deep but also very narrow economy—exceptionally so. This will have an impact on the state’s financial management and decisions taken therein over the short, medium and longer terms.

Also, countenanced among the risks that we face are global dynamics beyond our ken. Although we have been successful and there has been good management involved, there has also been a great degree of good luck. I do not begrudge anyone their luck in life, even my political opponents, because we all need a little bit of luck. We have been lucky to navigate COVID-19 in the way that we have. We have geographic advantages as much as we might have competent leadership. Although, I would not say it is all that competent, but that is an argument for another day. We have very challenging times ahead in the very short term in our immediate geopolitical environment. I do not need to go into much detail, but we are living through, or we are on the precipice of living through, a very dangerous and tumultuous age that will have consequences not only nationally and culturally, but also for our state’s economy. One of the risks, however, that is somewhat in our control but that I fear might get away from us, is the obvious inflationary pressure that is being baked into the state’s economy presently. I will get to the skills shortage in a moment, but what I will call the “forever hard border”, which has increasing thresholds of vaccination uptake or new and changing conditions dependent upon the operations of other states, is going to cook in, bake in, pressure in our economy. We are already seeing it in terms of the residential construction sector. I was lucky enough to commence building a house at the end of last year.

Hon Alannah MacTiernan: Where are you building? Are you setting yourself up for a lower house seat? Show us some courage.

Hon TJORN SIBMA: I always welcome the minister’s interjections, not all of them equally, but I will encounter that one. I do not know when it might be time for me to descend from this heavenly realm and take on the earthlings in the other place. I do not know when I will do that, whether I should do that or if I will do that, but I thank the honourable member for seeding me with the concept. I might take you up on that.

Hon Alannah MacTiernan: You are one of the few that we think could actually make the transition.

Hon TJORN SIBMA: You have just killed my political career just like that. You have just killed me. That is terrible—absolutely!

Hon Pierre Yang: It is a compliment.

Hon TJORN SIBMA: I thank the member—very good.

Hon Alannah MacTiernan: But where are you building your house?

Hon TJORN SIBMA: I am building a house and it is a great thing to do. I make the observation that the brickies were very easy to get in December and January.

Hon Alannah MacTiernan: We want to know where.

Hon TJORN SIBMA: I know the minister wants to know all about me, but I am not gonna give it up that easy! The minister should not expect that.

That is a problem. The residential housing market is going to become overheated —

Hon Darren West: Is it in the regions?

Hon TJORN SIBMA: It will be in the entire region now; will it not? I will be in Western Australia—of that there is no doubt! I will not be in New South Wales, Tasmania, South Australia or any other state.

The point is this: we are seeing very clearly—you do not have to look too far—the early signs of inflationary pressure and that obviously will have consequences throughout the private sector, household economies and the state. It is obvious that the state government is forecasting this problem as well. I like the euphemism. We had a discussion with the Minister for Education and Training at the end of the combined estimates and annual report hearings last year about whether she would consider at that stage smoothing the planned school construction schedule because of this very issue. She did not say that she would but that she might take it on board. It is clear now that the government has actually absolutely taken this on board because it has no alternative. Money chasing a limited pool of workers will drive up costs and almost inevitably lead to delays in project delivery. That will just happen. There is a fundamental problem and, I suppose, an unmentioned risk. It does not matter whether it is a Labor, a Liberal or some other government in the future, the key challenge we face as not only a community, but also an economy is the risk of complacency.

It is sometimes tempting to make cheap political shots, particularly if one is feeling somewhat frustrated; therefore, I will try to put this in more nuanced terms. This budget is disappointing because it does not take advantage of a golden opportunity for serious reform. I am surprised that this has been passed up. Frankly, I would have expected a little more courage, vision and boldness. Perhaps the government could have re-adapted the energy and ambition, even the sheer ruthlessness, of what it is doing to recast the composition of this house and focused it on something that will set up this state and the people who live in it for a brighter, more rewarding future, particularly when the future will be particularly challenging. Unfortunately, this budget has no serious commitment to reform. It has no action on payroll tax or stamp duty relief and no real action on cost-of-living pressure. I think that is absolutely unfortunate.

This is as much a political document as it is a financial one so I think we can legitimately and constructively reflect on it politically. In an election campaign that had a lot of interesting moments, there was a telling moment in the solitary televised debate when the Premier and the then Leader of the Opposition were asked about their vision for Western Australia. I remember it distinctly. I was holding one crying child and trying to bat away another while trying to listen closely to the television and what the Premier might say. The Premier had to go to his notes. I remember that moment distinctly. I cannot recall off the top of my head what he said, but that impulse to go to his notes showed that he did not have an idea. He did not have an idea in February and this budget confirms that he does not have an idea in September either.

Much has been made of the Liberal Party since that election. There has been an almost obsessive focus by some on matters that I think are, in the grand scheme of things, inconsequential. In fact, it is just an excuse for not scrutinising the government on its performance, or lack of performance. Like members of my party room, I accept full responsibility for the outcome. We are collectively responsible. But I will not leave unchallenged that we were somehow a policy void. That is absolutely wrong. That is absolutely not true.

I will reflect on a portfolio that I had responsibility for last year and through the election campaign. I do not have it now; it is in the capable hands of Hon Neil Thomson. I want to reflect for a moment on the planning portfolio. As portfolios go, planning can get reasonably controversial. That is probably an understatement; it does get quite controversial. There remains a great degree of community disgruntlement over planning decisions. There is disgruntlement as well at the local government level and on behalf of developers, who I will always go in to defend because they should not be categorised as the “great Satan” as they often are. Equally, communities that have legitimate grievances about the kinds of decisions that affect the composition and amenity of their communities should not be categorised or minimised as nimbys. I find that offensive. That is a diminishing term. Unfortunately, it is a term that is used too frequently and too wantonly particularly among spokespeople for peak industry associations.

We took a planning platform to the election. It was largely overlooked, forgotten and drowned out in the guise of COVID-19, but I think we would do well to reflect on a couple of elements of that platform. I will not go through the whole list but there is a need to demonstrate to the community that the planning system is functioning with a level of integrity and governance, because there is a lot of speculation that that is not the case. If we were in government, we would have appointed an independent root-and-branch review integrity audit of the entire decision-making system under the WA planning framework. We would have established an independent office of the planning ombudsman to deal with those grievances. We would also have dealt with, where I think the rubber hits the road, a misapplied commitment to urban infill. Nobody is arguing that Perth does not need urban infill; Perth does need it. But there has been and continues to be an unfortunate sort of scattergun approach in the way that infill is invoked to justify putting density in places where it does not belong. Frankly, it does not belong in cul-de-sacs and narrow streets. I do not think we have yet taken the opportunity to look with a degree of openness and clear headedness at the opportunities that the CBD and its immediate surrounds present for greater densification for a greater depth and breadth of population.

This becomes a little like the chicken and egg scenario. Obviously, there are problems in the City of Perth—in the CBD and Northbridge, generally speaking—which reflect poorly on us as a community, but there clearly is a view that these areas are unsafe after a certain time. It is like the chicken and egg scenario because an increased population with greater passive surveillance, more activation and more normalisation would probably contribute to a safer community, but I can also see the argument that who would want to expose their family to this potential danger, particularly if they have young children? This is a broader fix, but it is something that perhaps a government that can bring down an operating surplus of some \$5.6 billion has the capacity to deal with. For what it is worth, I am disappointed that there is not much in the budget for this.

At the outset, I said that I would focus on issues concerning the environment portfolio. The environment portfolio is obviously very broad, but I will deal with this on a department-by-department basis. I will commence with the Department of Water and Environmental Regulation. I am prompted to do this, in part, by the contribution of my colleague Hon Dr Steve Thomas who talked about the resourcing of additional approvals officers within DWER, but also across government generally, as being the key to unlocking the bottleneck and time delays in the approvals process. He made a very pertinent observation. We often adopt this sort of input-centric view of public policy and finance that more resources will always get us a better outcome, or that more people or more money will somehow make whatever problem we are facing go away. Perhaps this should be an invitation to examine whether this system is functioning in the most efficient way that not only permits economic growth, but also ensures high standards of environmental protection. That is not always an easy balance to reach, but there is something systemic, perhaps, that we should focus on, not to the exclusion of, but at least in parallel with, the almost instinctive desire to throw more people at the problem. In the example of DWER, it has different service lines. Its fourth service line is environmental regulation, and to that purpose it will attempt to recruit an additional 50 FTEs to help with this increase in project proposals and the requests for approvals and the like. When we look closely at the cash flow for those FTEs, they are apparently all going to be recruited this year, which takes us back to this forever hard border and the pre-existing skills shortage that we have. I ask the government simply: where is it going to get these people from? Because it cannot offer them the same salaries and inducements that they can get in the private sector. I do not think it will be able to get the numbers, and if it does get anywhere close to attracting those numbers, I do not think it will be able to retain those people for very long, not if they are people of an exceptionally high calibre.

It must also be remarked—members can understand how this happens—that the industry, frankly, has been guilty of poaching public servants. The previous Minister for Environment, who continues to represent the present minister in this place, Hon Stephen Dawson, has, on a number of occasions in the last few years, quite fairly criticised the conduct of some of the companies for poaching these people out of government. Members can understand why that happens, but this culture of recruitment, attraction and poaching probably causes some system-wide problems. That said, there are companies, even at a junior to mid-level, that have environmental heritage and approval teams that would be the envy of any government department. I reflect positively on the government's desire to attempt to expedite and streamline the approvals system. I am just very cynical about the capacity to do so through that measure. That, in fairness, is not the only measure that the government is attempting to expedite. This is maybe the fifth budget in a row that has talked about the delivery of this one-stop shop or online platform called Environment Online. The full rollout of this program, however, has been pushed out another 12 months. It is effectively just an information technology platform. After years of talking about it—I think it was covered in three budgets in a row previously—this platform got its first capital funding in the last budget. The length of time it is taking to implement this platform defies comprehension. We have not seen the results yet and it will not be fully operational until 2024.

Throughout this period, the government has put forward an initiative called Streamline WA to de-bottleneck the approvals system, to encourage growth and to resolve issues. Streamline WA was announced with some great fanfare perhaps three or so years ago, but it has been referred to in this budget in passing and it is yet to demonstrate any tangible outcome. It really has not worked. It was good in theory, and a good initiative conceptually, but it has not delivered. I mention these two programs because, very recently, we learnt about quite an extraordinary public sector appointment: the creation of a new position of Special Adviser, Regulatory Reform, Department of Water and Environmental Regulation. It is normally my practice not to mention public servants in this chamber, but the person who has been appointed to that role is Mr Darren Foster, the ex-director general of the Department of the Premier and Cabinet, who, for whatever reason, did not continue in that role. He took up a special advisory position in Treasury and, for some reason, has not continued in that role. He was appointed by the Public Sector Commission a month ago, on 9 August, to this new position. The merits of the position are probably valid.

Hon Alannah MacTiernan: He is a very capable person.

Hon TJORN SIBMA: He is so capable, minister, that he gets paid \$170 000 or \$180 000 more than the director general to whom he reports. That is extraordinary. I think that might be unprecedented. I expect that he is being paid at the rate that he was earning when he was the director general of DPC. I imagine that the government is contractually obliged to pay him that amount. I just hope that he brings that level of value to that organisation because there has been some sluggishness in expediting matters.

I am spending more time on DWER than I had hoped to because I want to talk briefly about the Department of Biodiversity, Conservation and Attractions. There is an ongoing challenge in DWER in terms of the integrity of our waste management system. That is not necessarily particularly interesting to most ordinary people, but I will put it this way: waste levy fees attract about \$83 million in annual revenue into the state's coffers. It is based on a waste levy applied to tonnage, and it is there to dissuade people from dumping construction and demolition waste in particular into landfill and to look for opportunities for waste to be repurposed, recycled and re-harvested. If those options are not available, people pay the levy. However, like all government constructions, there are loopholes. One of the loopholes is that this applies only in the metropolitan area. Outside the metropolitan area, in areas adjacent to Waroona, for example, there is a suggestion that this material gets disposed of in a way that, strictly speaking, is not lawful. As a consequence, the waste levy is being avoided. When the department is asked about its estimates of waste levy avoidance and whether the department is attracting the kinds of tonnages that it expected, it is relying, I think, on some dubious figures. The dubiousness is not necessarily to do with any ill will or ill intent on the department's behalf. Effectively, we use an honour system in Western Australia. People are asked to tell the department that they are not dumping illegally and the department will believe them; that is basically how it works. Even though there is an industry association—the Waste and Recycling Industry of Western Australia—it does not mean that it is the fount of all wisdom, but it has to be given some respect. The Waste and Recycling Industry of Western Australia has formed the view that waste levy avoidance in Western Australia is longstanding, systemic and organised. The association estimates that some tens of millions of dollars of revenue is being missed out on as a consequence of this kind of behaviour. I find this stuff interesting because the proposition, it would seem, is a basic one: there is illegal activity going on that is potentially causing environmental harm and possibly causing harm to health, and people are avoiding paying revenue. One would think that the department would go after those people. To the government's credit, although it has been moving slowly, it has made attempts at waste reform. There will be regulatory changes at some stage, although it is unclear in the budget when that will happen.

I have asked a series of questions in this house about how many complaints or allegations of misbehaviour of waste levy avoidance the department has received. I also asked what were the follow-up actions. I learnt from the answers to my questions on notice that 39 allegations were made to the department about this activity over the course of four years. We can be reasonable, rational and dispassionate and say that not every allegation will be substantiated. Some of those allegations might be vexatious, but we would anticipate some follow-up action. Out of the 39 allegations or complaints, we would expect that maybe one or two would have resulted in charges being laid, or potentially even a successful prosecution. The score is 0–39. I find that remarkable. I do not know what the problem is. I do not know whether there is an intelligence gap that needs filling, whether the regulations are faulty, and whether staff are empowered to undertake remedial action—whatever that might be—in a more, without being pejorative, professional manner.

I have been so alarmed about this issue that I wrote to the Office of the Auditor General to undertake, if it could, an audit of how the complaints have been handled, without casting any aspersions on the integrity or the professionalism of the officers concerned; we just want to try to fix the problem. The Auditor General responded to me and said that although that office is not in a position to undertake an audit, it is certainly writing to the department to get a better understanding of what has happened. I commend the Office of the Auditor General for doing that. This is a fundamental questioning of the integrity of the public policy, and we need to know answers to very basic questions like that. This will continue to be a focus of mine until we have a better, more predictable and less porous regulatory regimen in this state, but one that does not thwart industry and make commercial life more difficult. We have a real opportunity to establish and encourage a sustainable recycling industry that can operate at scale in Western Australia. At the moment, we do not have that. People who have invested in these plants have effectively mothballed them. Something is happening to the waste, but it is not going to those plants. It is either being illegally dumped or stockpiled somewhere. I hope that a competent regulator can follow up and potentially implement a framework that is more appropriate to our circumstances.

In the time I have available, I will talk briefly about the Department of Biodiversity, Conservation and Attractions. I will talk, to a degree, about Plan for Our Parks. That is a McGowan government campaign commitment, which it is entitled to have. I will make some reflections on how that plan is being implemented. I will quote from page 216 of budget paper No 3. It might interest members to know —

The Department of Biodiversity, Conservation and Attractions maintains a network of 106 national parks, 20 marine reserves, 71 conservation parks, 60 State forests and other lands and waters across the State. Total direct recurrent regional expenditure by the Department is estimated at \$212 million in 2021–22, employing around 1,055 regional staff.

The conservation estate is pretty vast. Previously, I asked a question about the total land area. Presently, we, the state, have about 6.5 million hectares of national parks, 1.2 million hectares of conservation parks, 10 million hectares of nature reserves, 4.4 million hectares of marine parks, and, subsidiary to that, about another 300 000 hectares of marine nature reserves and marine management areas, and another 1 million hectares of land reserved under different

categories. At the moment, we have a total land area of some 23 million hectares in Western Australia that is under the management of the Department of Biodiversity, Conservation and Attractions. That leads one to ask whether this land is being managed appropriately and effectively. When we look at the key efficiency indicators, the performance outcomes, it is very unclear—it just is. There is a broader problem that a former Standing Committee on Estimates and Financial Operations dealt with and that ministers have talked about. The efficiency indicators provided in the budget papers are, effectively, an accountant's eye view from the Department of Treasury. They tell us very little in a meaningful sense about whether a department is taking the resourcing it gets by way of a resource agreement from Treasury to undertake the tasks that it is charged to do. It does not.

There is not much in there that will tell us whether these lands are being managed effectively, but we do know that it costs \$200 million a year in recurrent costs just to keep the parks operating. The government is obviously adding to this estate through the creation of new marine parks and reserves, such as the Buccaneer Archipelago and the Recherche Archipelago. I hope I pronounced that right; I am glad there are no members from the great southern to correct me.

Hon Steve Martin: Close enough.

Hon TJORN SIBMA: I am close enough! Quite obviously, these are topical at the moment, because there is also an amendment being made, in parallel with the Conservation and Land Management Act, which will create another conservation purpose, which is the protection of Aboriginal cultural heritage. That is a good thing. It is taking an amendment that the Barnett government made to the terrestrial estate in 2015 or 2016 and applying it to the marine estate. It is a sound principle. There are issues around the management of competing access rights and the like, which I think are taking some time to play out, but the key budget-related point that I make is that there is effectively a government policy to expand the total conservation estate in Western Australia—marine, terrestrial, or however we carve it up—by another 20 per cent. There does not appear to be another 20 per cent loaded into the forecast estimates for the management of those reserves. In fact, the way that the resourcing lines are structured allows for a bit of what I would call cross-pollination. We are not quite sure which bits of the department are funded to do what.

One issue that we would expect the department to deal with is the core biodiversity and conservation function. Obviously, for reasons that are correct and completely understandable, we talk about the challenges of climate change and harnessing renewable energy. We have had a debate in this house, if we can call it a debate, about felling the native timber industry. But like so many of our debates—this is not a reflection on individuals—they become quite base and simplistic, and we do not really focus on other dimensions. One dimension I would like to focus on a bit more is biodiversity and the health of our native flora and fauna. In the part of the budget that measures the performance of the Department of Biodiversity, Conservation and Attractions, on page 708 in budget paper No 2 reference is made to the “Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan”. I asked a question about that in this place, because the budget papers do not tell us how many there are, and it would be worthwhile knowing. I appreciate when I get useful information. It might interest members to know that the government presently has 292 recovery plans covering 303 critically endangered and endangered taxa and 30 relevant ecological communities. This is when we start peeling back the black box a little. There is not a recovery plan for every critically endangered or endangered species in this state. The recovery plans are probably only three-quarters complete. I am not going to use this opportunity now—I might during estimates—to ask how the other 25 or 22 per cent, whatever the residual is, are going. Also, it is no good in itself to have a recovery plan if the plan is not fit for purpose, if the execution of the actions in that plan are not funded, or if seismic shifts or changes to that particular species are not remediated.

In recent days, I think Hon Dr Sally Talbot and, earlier this morning, Hon Jackie Jarvis have read petitions in this chamber from people who are concerned about the manner in which prescribed burns are undertaken in the state of Western Australia. Those burns are undertaken by DBCA. I think that one of the reasons for those concerns was an incident that happened in March this year, when a prescribed burn at Perup had some impact on a colony of numbats that had been bred and released into the wild. This is our state marsupial emblem; it is probably not as beloved as the quokka, but I think it is a far more interesting and, dare I say, attractive species. That is just a personal view. It is very difficult to get a quantitative assessment of what this burn did to this colony of numbats, but there are not many of them. If we drop incendiaries from the sky onto their hollows, I expect that they are vanquished—extinguished. There has not been much in terms of a follow-up, but I would have expected that such an event may have prompted a redraft of the relevant recovery plan. Unfortunately, I was advised yesterday that that has not happened. I will be using the opportunity to seek a bit more information. These plans ordinarily seem to be reviewed internally on a five to 10-yearly basis. That would seem to be reasonable, except if there were an event that might threaten that species in a more meaningful way, as I suggest that prescribed fire in Perup did.

I have limited time available to me. I am going to raise an issue that is not within my sweep of portfolio interests, although it was, in a tangential sense, when I first entered this place, because I once had responsibility for community services. This is more of a child protection issue. I profess to absolutely no mastery in this space. Thankfully, these are issues to which, in my life, I have been a stranger. But we have seen over the course of the last five years—

this is not an indictment of the government, by the way; it is just a fact—that there has been a steady growth in the number of children who we used to categorise as being wards of the state. I think they are now described as being “in the care of the CEO” in the way that the government structures it. I think there are now more than 5 000 such children. I want to end this contribution on more of a salutary note, not necessarily a sombre note, but with a reminder of why we are in this place and perhaps what we can potentially do with enormous surpluses such as the one that has been gifted to us.

I will not have the opportunity to read the entire article, but I was struck by an op-ed in *The West Australian* in the last few days that hit me in a visceral way that very few articles have. It appeared on page 46 of *The West Australian* of Tuesday, 14 September. It is a story from an anonymous child protection caseworker, titled “Two kids in care show why we need more case workers”. It flattened me. I will not have the chance to read it all in, but effectively it is the story of a caseworker who has two children in her charge—siblings who have intellectual disabilities—and who was attempting to find a safe place for them for the weekend, because their ordinary respite carer was exhausted. The search for an appropriate place started on a Tuesday afternoon and as of 5.30 pm on the Friday, an agreement had been struck to put these children in a place. I will read this in and it speaks of the children —

They are excited. “We’re going for a sleepover!” they exclaim with huge smiles and a sparkle in their eyes. They ask where they are going and who they will be staying with.

From the caseworker —

I can’t even give them a name because it is a roster of staff. I say, “I don’t know but it’s OK, we will meet them together.”

Can you imagine being a child in care and the case worker doesn’t even know who they are dropping you off too?

A whole weekend alone, just you and your four-year-old sibling. I would be terrified.

But these children are not like other children, they see the world differently. They have had incredibly traumatic experiences, but they always think that people are kind and caring, and they trust us to put them with loving people.

We reach our destination. I was shocked. The house did not ease my worries. It was so cold.

There was minimal furniture, no decorations, no toys, and nothing homely.

It felt like we were just providing shelter and someone to ensure their absolute basic needs were met and nothing more. The children stopped at an empty bedroom, one of them shouted “wow, look at this” and they ran around in it. They really are beautiful children. Who gets excited by an empty room?

We said our goodbyes, there were no tears or wanting us to stay, but that did not make me feel any better about leaving them there. We got back to the office at 6.30pm. I cried all the way home, hoping they would be OK.

This job is the stress of wanting the best for these children, being unable to provide that due to under-resourcing, systemic issues and being overwhelmed with the rigmarole of never-ending compliance that eats into your day and prevents you from doing real social work that makes actual positive change in people’s lives.

This is just a snapshot of one of my 16 cases that week and people wonder why we are exhausted and burnt out.

WA desperately needs more case workers; I hope now you can see why.

With that I end.

HON NEIL THOMSON (Mining and Pastoral) [12.32 pm]: I rise today to follow on from the comments made by Hon Tjorn Sibma and bring to the table my views on the McGowan government’s 2021–22 budget. Before I get into a detailed discussion of the measures in the budget, I want to make a comment about my region and the people of my region. We saw yesterday that the current class of Mining and Pastoral Region members will be the last class of Mining and Pastoral Region members to exist in this place. My commitment when I stood for preselection and then as a candidate for election was firstly to represent the views of the people of the region, and I take that commitment very seriously. I am aware that, due to circumstances that I am sure Labor members are very keen to reiterate, I am the only member of the opposition to represent the seats of Kimberley, Pilbara and Kalgoorlie. I share the role with Vince Catania, who represents North West Central. I take that very seriously. I invite electors in my region who are watching online, who are here today or who will read it in *Hansard* and who have issues that they do not feel are being addressed by this budget or by their member of Parliament to contact me about those matters, because the job of the opposition is to raise those issues. We know that politics is a marketplace. We know that by raising issues, the government can then respond. In fact, a degree of goodwill and bipartisanship exists, and that may come as a surprise to many members of the general public, but there is a very important role to raise issues, and I take

it very seriously. I want people to take the comments that I make about the budget in that context; I am raising them for my region. I will also speak on matters relating to my portfolio and some of the other portfolios that affect my region. My presentation today will have that dual focus.

I commend the bipartisanship that exists. In fact, the hundreds of pages in the budget papers are the result of many thousands of hours of hard work by public servants, whom we fully support, delivering services for our community, whether they be frontline services in the health sector, frontline policing or delivering infrastructure. We support a large majority of that. In fact, again, it may come as a surprise to many who read in the press about the argy-bargy in Parliament that 90 per cent of the budget papers would be exactly the same if there were a coalition government in office. I say that with some authority because I worked as a public servant for both sides for many years, providing material for budget papers. To a large extent, the business of government continues. Those issues that have a degree of tension are important and they are the ones that I would like to highlight today. If I come across as being overly negative, that is not the intention; it is really to add that tension to the discussion so that we might be able to get some rectification if there has been failure.

My first observation of the budget papers—they are a considerable tome—is that I would give them a C minus for transparency.

Hon Dr Steve Thomas: Very generous!

Hon NEIL THOMSON: Or maybe a D!

I am concerned about the impact of the machinery-of-government reforms. The machinery-of-government reforms were introduced by the McGowan government in 2017–18 after a review by the machinery-of-government committee. What occurred was a considerable consolidation of government agencies to the point at which one director general was reporting to multiple ministers. We see time and again in this place that when the most basic questions are asked of ministers about program activities and spending on programs across the sectors, they are not able to respond in a timely way simply because they do not have the historical information. That is the same theme that comes through after an examination of the budget papers. I do not believe the consolidation of agencies to the extent that occurred in 2017–18 was beneficial for transparency in this state. I believe it has reduced the level of transparency and the ability to scrutinise and understand the efficiency and value for money that we are getting from this record spending budget in both infrastructure and services.

The other issue that I want to raise is that the budget lacks a strategic focus. It shows an increasing dependence in our economy on the enormous iron ore royalties that are coming through in the funding. If it were not for the floor in the GST, there would be a much greater concentration of revenue by percentage in what is quite a vulnerable form of revenue. One could say that we have too many eggs in our basket. I do not think that any fair-minded person would disagree with that as it relates to the Western Australian economy because we are really riding high on the back of the iron ore price. We have other commodities, of course, and it is good to see a diversification in mining to a certain extent with other rare earth minerals coming online. The gold industry is doing quite well and we are obviously starting to develop other industries, such as lithium. It is good to see that development, but the boom to our budget base is coming from these extraordinarily high iron ore royalties, which reached \$US200 a tonne not that long ago. It is now approximately \$US120 a tonne and that is the basis upon which the government has calculated its revenue stream for the 2021–22 financial year. We could make the reasonable assumption that there is a degree of upside risk in that figure. It would not surprise me if in 12 months when the Treasurer presents the next budget, he tells the Western Australian people that there has been an unexpected increase in revenue. I expect that that is possible. I know that Treasury takes a conservative approach to its assumptions about the price of iron ore. We will see. It is currently sitting around that mark; hopefully, it will not decline. In the short term at least, there might be some upside risk.

We see a widening gap between different parts of our economy. I will go into that in more detail with some examples, which, I think, will be of great interest to members. Western Australia now has a two-speed economy like it has never had before. Over the long term, the assumption that has been made about the iron ore price at \$US66 a tonne is, again, reasonable. I can see why Treasury has chosen that figure.

Hon Dr Steve Thomas: It is probably a good number for 2020–23 at least.

Hon NEIL THOMSON: Yes, but over a longer period—I certainly agree with my colleague—there might be some downside risk because we do not know what is going to happen in the world economy, which impacts the way we should be thinking about this budget, especially at a time when we have record revenues, and what we should be doing to build resilience in our economy to make sure that we can address some of the possible shocks that may occur in the future. We have an international situation; the world has been ravaged by COVID. We have seen cracks in the logistics supply chain across the world. We do not have huge visibility because we are not communicating as well as we used to and we are not travelling, but we have seen that countries are having to borrow a lot more than they previously had to borrow to deal with the challenges of COVID. We should not simply rely on the rise and rise of China over the longer term because we do not know what will happen from both a political and economic point

of view. As my colleague Hon Dr Steve Thomas mentioned, we should not be relying on a dam failure in Brazil—we have also seen how COVID has disrupted Brazil's iron ore production—because one thing is for certain; iron ore production in Brazil will come back with great vengeance and there will be much more competition in the marketplace.

Although the 3.5 per cent growth in gross state product is reasonable, given the iron price one could say that it is quite a low figure. I was in Treasury when the state was getting much higher growth in its gross state product and that was with a lower iron ore price. I understand that we have a moderated figure because of the COVID situation, but the long-term projection of around 1.5 per cent growth in gross state product is not particularly high.

Hon Dr Steve Thomas: They're always conservative.

Hon NEIL THOMSON: Yes, they are conservative, but I suppose I am outlining the risks going forward because another issue I want to talk about is the widening gap and how it affects my region. I will quote some figures. I will pass on the references to Hansard at the end of my contribution. Let us look at bankruptcies in Western Australia. During the last boom, Western Australia's percentage of national bankruptcies was between six and seven per cent. This comes from the Australian Financial Security Authority's figures for total quarterly bankruptcies, which can be found at www.afsa.gov.au. We had about seven per cent of national bankruptcies. During the downturn of 2016, the price of iron ore dropped and there were obviously hard times for many businesses in Western Australia as people were laid off. In the early part of the McGowan government, the rate was about 14 per cent. We are now in a situation in which we have a record iron ore price but as a percentage of national insolvencies, we are currently running at 12 per cent. There has been a reduction in the number of bankruptcies, but as a percentage of national bankruptcies, it is still 12 per cent. That is of grave concern, especially in light of the fact that the rest of Australia is pretty much locked down due to COVID. We are supposed to have this incredible boom but in the last quarter, June 2021, we represented 12 per cent of national insolvencies. When we look at insolvencies in terms of the raw data and some of the regions in which this occurs on an annual basis—I refer to the Australian Financial Security Authority's regional statistics—we see that parts of our community have been severely affected. When I looked up this data to prepare for this presentation, I was surprised by the numbers even though I had an inkling that it was problem because of what people were telling me, especially about some of the challenges faced by small business. For example, during the financial year, the number of bankruptcies were 102 in Swan; 113 in Wanneroo; 60 in Armadale; 71 in Gosnells; 91 in Rockingham; and 27 in the goldfields. Those are quite big numbers and every single one of them represents a family, business or individual going through enormous stress and challenge in dealing with bankruptcy, which usually comes about because their business has failed, they have lost their job or something has occurred in their life at a personal level that has meant that they have not been able to cover their outgoings and debts and eventually they have had to declare bankruptcy. The number of bankruptcies for greater Perth in the June quarter rose to 247—we would expect it to be heading down—which is an increase of 3.8 per cent.

Hon Dr Steve Thomas: Is this for the current financial year?

Hon NEIL THOMSON: Yes, for 2021.

Hon Dr Steve Thomas: Did you happen to work in JobKeeper and JobSeeker according to that research?

Hon NEIL THOMSON: No, I have not, but that is an interesting point. I will be talking about JobKeeper and JobSeeker shortly because they have certainly had an impact.

If we look at the regions, we see that over the June quarter the bankruptcy rate rose 25 per cent to 265 cases. I looked at this angle for discussion because the two-speed economy is very much an issue in the regions. I will talk about Broome because it is a very salutary example of what is going on in our regions. We keep getting the headlines about how well we are doing, but an increasing number of people are not doing very well.

I would also like to talk about unemployment. We hear from the Chamber of Commerce and Industry of Western Australia about labour shortages. Certainly in the regions, in some particular areas of skill and even in some of the unskilled areas, labour shortages are a massive issue. I certainly have encouraged any young people I know from Perth who are looking for a job to get their bag, put it over their shoulder and get up to the regions, because if they can find somewhere to stay, they will get a job pretty quickly—certainly in the hospitality sector.

The two-speed economy is quite concerning. Let us look at the Australian government's Labour Market Information Portal. The table refers to "Statistical Area Level 2 (2016 ASGS)", but it is for March 2021, which is the most recent data that I could get. It shows that the unemployment rate in Rockingham, the Premier's electorate, is 12.9 per cent. That is a figure we do not hear much about; 12.9 per cent of people in Rockingham who are looking for a job cannot find a job. For Armadale, the unemployment rate is 20.6 per cent and in Alexander Heights, it is 14 per cent. I am very pleased to see that in my region, Halls Creek, the unemployment rate has come down from 40 per cent and it is 24.6 per cent. In Girrawheen, the unemployment rate is 21.2 per cent and in Meekatharra it is 10.7 per cent. This is an example of our two-speed economy. We can get very excited about the incredible revenues here because it is great for the state government. A high iron ore price and a floor on the GST pours money into the

state coffers of our Western Australian Treasurer, but many people in our economy are doing it very tough. Small businesses are struggling to remain solvent, and people are struggling to find jobs. That is just the beginning of it.

Let us look at tourism. We hear so much about how wonderfully well tourism is going in our state. The Premier even suggested that maybe the hard border should stay in place to ensure that we can keep all our tourists here, and that would be a good idea for tourism. Once we get beyond the hype, we can see that the tourism sector is doing it really tough. I do not have the figures for hotel occupancy in Perth, but I know from speaking to people in the hotel industry how tough it is in Perth. In fact, I think without the COVID-related quarantine services, a lot of our hotels would be in a lot of trouble right now and, I suggest, even with it may still be struggling. I refer to domestic overnight tourism. The source is Austrade's Tourism Research Australia. Austrade is an Australian government agency. The website is tra.gov.au. That data shows that from March 2020–21 to June 2021, there was a 21 per cent reduction in the number of domestic overnight visitors and a 27 per cent reduction in domestic overnight spend. Of course, we have no international tourism. The numbers are bad; it is such a huge reduction.

Anecdotally, that disparity is because Western Australians do not spend much money when they go on these tours. I have spoken to many tour operators, not only the caravan park owners, but the people who run tours out into the regions and take people on boats and up on planes. The people who run the experience tours are struggling because they do not have the same spend. This is happening particularly in the north. Broome, we could argue, is almost over tourism. Chinatown was full of tourists a month or two ago. But the moment we go beyond Broome and we go to Fitzroy Crossing and the Aboriginal-owned business Fitzroy River Lodge, we see the empty caravan parks. With our hard border, people refer to the road to Kununurra as the longest cul-de-sac in the world. It has really affected our tourism market.

Hon Alannah MacTiernan: You must admit that Kununurra has been doing really well. It's difficult to get a booking in Kununurra.

Hon NEIL THOMSON: In the last few weeks, that is true.

Hon Alannah MacTiernan: Not only the last few weeks. Last year was very hard but this year —

Hon NEIL THOMSON: It went through a period, and that is true. I thank the minister for raising that matter, but these figures show an overall decline in domestic tourism in Western Australia, and that cannot be argued. My point is that we can put aside the data. We can pick up —

Hon Alannah MacTiernan: You can put aside the data and just make things up.

Hon NEIL THOMSON: No, I have just given the minister the data. I have presented the data. There has been a 21 per cent reduction in the number of overnight visitors and a 27 per cent reduction in domestic spend, and that is from Austrade. That is the data on domestic Western Australia. The minister can check that data herself and inform herself. I thank the minister for the interjection.

Hon Alannah MacTiernan: But you obviously go to Kununurra as often as I do and you will see —

Hon NEIL THOMSON: It certainly was hard to get accommodation over the last few weeks. I imagine that will switch a little. The minister should not put up smoke screens. I am very happy for the minister to interject if she wants to, but these are the facts. If members do not want to deal with facts and just see it firsthand, they should take a walk through Northbridge of an evening and talk to the homeless people on the street and ask them whether they feel as though there is a boom, and how they feel about the \$5.6 billion surplus from the Treasurer of Western Australia.

Hon Alannah MacTiernan: So, what do you think would happen if we put all that \$5.6 billion into immediate stimulus in the economy? I mean, what do you actually think it would do to the economy?

Hon NEIL THOMSON: I will get to that, minister. I will outline. I am not going to take that interjection. I would like to explain it, Acting President.

The ACTING PRESIDENT (Hon James Hayward): Please do.

Hon NEIL THOMSON: I believe this budget needs a vision. A part is missing. I will go through a few points. There are a few things here. We have seen quite a considerable rise in general government expenditure. I certainly will need to do more analysis of it and the causes of it. Our role in opposition is to ask the questions in the Committee of the Whole. But I have a suspicion that some of that rise is due to the fact that our machinery-of-government reforms have not been as effective as we would like them to be. I have some evidence of that.

Hon Dr Steve Thomas: It would be nice if we could get some answers to questions on that.

Hon NEIL THOMSON: It would be. I think the lack of leadership in some areas is coming out. Incredible pressure is being put on our senior public servants who have to report to multiple ministers. It does not bode well for service delivery. It is no more apparent than in the health sector. It is in absolute crisis. There are code yellows and all these things happening in the health sector. Our public servants are under incredible stress. We see that playing out in the media. For example, at the hospital in Port Hedland our public servants have a lot of challenges.

We see a massive emphasis on Metronet in the budget. The total spend, if we include last year's spend and the projected spend, is about \$7.4 billion. I want to make it absolutely clear that I am for public transport. I think it is vital for our urban form and development, but I think there needs to be much greater scrutiny of these contracts and the delivery of these services, because we have to explain why the transport budget represents almost 50 per cent of our capital expenditure.

We are seeing a desperate and ad hoc response to the housing crisis, which is of the government's own making because of the lack of investment or the lack of doing things in relation to the housing sector. Certainly, it does not need a consolidated account investment. The housing industry could have easily been stimulated during its downturn through the resale of houses and construction. I saw that in my town of Broome where many homes owned by the state were left vacant. Considerable funds were spent on refurbishing those homes.

Sitting suspended from 1.00 to 2.00 pm

Hon NEIL THOMSON: I was talking about the strategic vision of the budget. I want to focus on the need to move beyond that and look at the diversification of our economy and the development of a broader economy in Western Australia. I point to one particular item, which I commend—\$50 million being put towards hydrogen energy. I support that. I think more effort, not just on business cases, needs to be put into the regulatory framework, which restricts the development of the solar industry in particular. We have had discussions about that before. I know that issues of land tenure are of massive concern. More effort needs to be made to ensure that we can move more quickly into this new economy. I am a very strong supporter of the green energy idea.

I turn to the issue of the two-speed economy. Earlier, we mentioned the issues of business failures and the challenges faced by the tourism industry, particularly in the regions. I commend the small business community across Western Australia during this difficult time for its resilience and ability to make good of a difficult situation, particularly around labour shortages. We heard comments from the minister across the floor earlier about the shortage of labour. That is a big issue. I commend small businesses. During my discussions with people in the hospitality sector in particular, I heard about the high levels of burnout of chefs and people working in restaurants in our regional towns, and the challenges they face. We need to do whatever we can in the budget to bring people to these areas from other jurisdictions. We have had some discussions about that. When it is safe to do so, that will be an absolute necessity because our industry has relied a lot on those seasonal workers, whether they be in the hospitality or the agricultural sector.

I am winding up my comments relating to the overall situation of the budget. Despite the massive contribution of the iron ore sector, there are still projections that our debt will rise. That will create challenges for us, particularly in reference to some of the comments I made earlier about the downside risk of that revenue stream.

Hon Alannah MacTiernan: Member, are you conscious of how we've priced iron ore? We have priced our revenue.

Hon Dr Steve Thomas: Earlier, he agreed to some of that.

Hon NEIL THOMSON: I did, and I did say it was a conservative —

Hon Alannah MacTiernan: We have taken into account the downside risk.

Hon NEIL THOMSON: I note those interjections. But the point I am making is that we need to diversify our economy so that we are not so reliant on iron ore in the future.

In relation to specific measures in the budget, I want to comment on the health portfolio. I welcome the \$1.9 billion cash injection and the \$1.8 billion that will go towards the new women's and babies' hospital. That should be commended. We have had quite a bit of discussion in this place about the previous government. I note that under the previous government, three tertiary hospitals were built in Western Australia, including the Fiona Stanley Hospital, which was mooted under the former Carpenter government. I acknowledge bipartisanship and continuity, but I make the point that we have an ageing population and increasing demand. We have had some population growth, albeit at a lower rate. Over the last four years, not enough has been invested in our hospital system. I point to some of the regional shortfalls, particularly in my region. I will comment further on some of those regional initiatives. We need to create more resilience in our hospital system. In particular, I think we are ill-prepared for the post-COVID pandemic situation when there is a broad acceptance that the vaccination rates are at an acceptable level. That level is yet to be clarified by the Premier, but the road map that has been presented by the commonwealth indicates that the level will be 80 per cent. Once we see that, COVID could be circulating through the community. That will put incredible pressure on our health system, which is already under incredible strain. My concern is that we have not invested enough to speed up vaccination rates in the regions. I point particularly to the Pilbara, which has the lowest vaccination rate in Western Australia. Western Australia and Queensland have the lowest vaccination rates in Australia. I believe we should be doing more to accelerate the vaccination rate.

Several members interjected.

The ACTING PRESIDENT: Order, members!

Hon NEIL THOMSON: There are deep concerns in relation to that and I am here to present the concerns I hear about in my region.

In relation to housing, I acknowledge and endorse the allocation of \$750 million for social housing, but, once again, we are playing catch-up. For four years there has been a lack of investment in social housing. Waitlists have increased and the number of social houses built under the McGowan Labor government has reduced.

Several members interjected.

The ACTING PRESIDENT: Order, members! I am struggling to hear Hon Neil Thomson.

Hon NEIL THOMSON: I am worried about the concept of spot purchases in the social housing spend. In my region I have seen the use of spot purchases and, in relation to Government Regional Officers' Housing, private homes being used to house public servants. This puts pressure on the supply of homes. I believe it is much better to invest more in the construction of new homes to increase the stock of public housing. I point to the fact that currently in Broome, there are no options for people who are seeking shared equity. Opening Doors WA is a program that has been around for some time. If members look on the website of the Department of Communities, they will see that the number of homes available for shared equity in Broome for the general community is a round number—that is, zero. That has created a huge issue for people transitioning from social housing into home ownership. Previous governments have been proud of the development of a concept of a housing continuum that takes people from homelessness to some sort of protected accommodation, to social housing, to shared equity and then through to full home ownership. That should be the aim of our public housing program. This is not apparent under this government. Again, there has been a kneejerk reaction to that shortage. We have seen a kneejerk reaction to a much reduced public housing spend—they are the facts—over the last five years of the McGowan government.

I now move to other matters and want to touch again on the issue of transparency, which I am concerned about. When we move to the Committee of the Whole stage, I will do my utmost to be forensic and ask the right questions. As a former public servant I know how easy it is to muddy the waters in relation to the budget papers. Unfortunately, I have seen that in practice, but I also know when clarity is put forward. I think much greater clarity is needed, particularly with super agencies, as I explained earlier. That was made apparent yesterday when I asked three fairly straightforward questions and not a single one could be answered on the day. For example, I asked a simple question about the transport spend in the regions. I know from my Treasury experience that there is a system whereby someone can simply enter a query and the numbers will come up. I hope that capacity still exists today, but it seems from the answers that I received—the fact that the minister could not answer those questions—that the Minister for Transport cannot get that data in a timely manner. Similarly, there has been a lack of clarity in the area of full-time employees in the Aboriginal heritage space. The Department of Aboriginal Affairs has been subsumed into the Department of Planning, Lands and Heritage, the main focus of which is on planning environment and, obviously, the big end of town—the developers. The minister could not furnish me with any information about the number of employees of Aboriginal descent working in the Aboriginal heritage space. I find that very concerning.

I asked another question about mental health funding and the Mental Health Commission. There is no agreement, even though the budget has come down, about where that money will be spent on a regional basis. I am concerned about the ability of this government to know what is going on when it comes to controlling the budget and getting the very best value out of the budget.

We spoke about the election. It was a very difficult outcome for the Liberal Party, and I am sure the Labor Party is riding high on that; we have seen that in its attitude toward some of the commitments it made prior to the election and how quickly they have been washed away after the election. We warned people about the danger of a lack of transparency and lack of accountability. We warned people about the Labor Party being able to deliver on those election promises. I think this budget demonstrates yet again the inability of the government to deliver outcomes in a timely and efficient way.

I come now to Metronet because it deserves greater scrutiny. A spend of \$7.4 billion last year and over the forward estimates has to be scrutinised. This is a massive blowout on what was initially put out. I searched through news articles prior to the 2017 election and found that figures of less than \$2 billion were being quoted. Yes, that was for stage one, but now we have a figure of \$7.4 billion—nearly \$8 billion—which represents nearly 50 per cent of the transport infrastructure spend. Something is not quite right about this. I am the one, as a member for the Mining and Pastoral Region, who needs to explain to the people of my region why there is insufficient funding for pensioner travel subsidies, why students are struggling to get sufficient funding for access to education and why the patient assisted travel scheme is not sufficiently covering all costs that should be covered. They are the issues that I need to explain. Although I am not opposed to things like a gold card that caps fares at zone 2 prices so that, effectively, travel beyond two zones is free, there needs to be equity—a word that seems to be missing in the Labor Party's vocabulary at the moment—in relation to how the rest of the state is treated in these matters. I have some questions about that.

This government seems to have a “build it and they will come” attitude in relation to these things. But even on the “build it and they will come” attitude, the government seems to be years behind on its infrastructure building program. That may be true, but I have received complaints about the rollout of some Metronet designs. The Bayswater station is one that comes up. I am not passing judgement, but some people in the community call it a monstrosity of urban design. I comment because I note—I commend the government on this—that in the Main Roads division of the budget there is a transfer to the Department of Planning, Lands and Heritage for precinct planning for the High Wycombe and Redcliffe stations of \$875 000 in 2021–22 and \$5.5 million in 2022–23. I stress that it is really important that there is proper planning and preparation on these major projects so that they become a lasting legacy for the community and not some kind 1960s transport dream of some sort of huge viaduct through the middle of the community, but rather we have an asset that enhances the urban form and that the people of Western Australia can be proud of. The detailed contracts for the delivery of these projects will require much deeper scrutiny because it is such a huge part of the budget. It is important that the government has sharpened its pencil to the utmost degree and that those contracts are being delivered with the utmost efficiency.

Continuing with my portfolios of Planning; Lands; and Heritage, I note that there is \$250 000 in the budget for further consultation on the draft Aboriginal Cultural Heritage Bill 2020. I understand that a further \$1 million is with the Department of the Premier and Cabinet to support the development of the bill. That seems like a very low number given the concerns I am hearing from the community about consultation. I travelled to Yule River and saw firsthand the Aboriginal community’s concern about the lack of consultation. I implore the government to spend more time consulting the community and making sure it gets these things right before it brings such bills to this place. The government certainly has the power to push things through this place without any restriction. It should make sure it does its homework and brings these matters to this place in a way that will result in the best outcome for the community.

I mention also the Aboriginal Lands Trust. I welcome the intent of the state with respect to the long, failed history of divestment in that space, on both sides of politics. Since Neville Bonner’s report over 25 years ago, very little has been achieved in this space. However, I am concerned about the inability to deliver on the promises, given the woefully insufficient funding that has been given to the Aboriginal Lands Trust, for both its operations and the divestment process. There is no point giving land that is degraded and has liabilities to traditional owners. There has to be proper work done around tenure and making sure those assets are of value to our community.

I will now touch on the issue of planning reform. I see on page 727 of the budget papers another \$1.3 million allocated in 2021–22 for phase 2 of the action plan for planning reform. This is also a concern. I believe it is incumbent on that process to make sure the case is made for any long-term changes to the planning system. There was a level of bipartisanship and Hon John Day, someone with whom I worked, had a lot of respect for the former Minister for Planning who sits in this place today. Development assessment panels were certainly something they both agreed on. However, under the cover of COVID-19, this government introduced the State Development Assessment Unit. My understanding is that there is a desire to consolidate that view and have it as a long-term process, but the government needs to make a case for why. Has this process resulted in better and faster approvals? There is no evidence to indicate that. In fact, although a review has been undertaken, it has had quite the contrary outcome. What bothers me is the concentration of power around the minister, and that is not good for the state. The Department of Planning, Lands and Heritage website states that the minister, with the assistance of the department, would receive and undertake an early assessment of an application to determine whether the proposed development would likely be of state and regional significance. To me, that puts the minister in a very difficult position. From that process, it is then referred to the Premier. I do not even know what the Premier’s role is in relation to this assessment, but the final decision is made by the Western Australian Planning Commission. The Planning Commission is an esteemed body of directors general and one or two experts. These people have a strategic overview of the state and should not be the place where assessments are made for individual applications. With the \$1.3 million and about \$600 000 in the forward estimates as part of its stage 2 planning reforms, the government has decided that it will somehow concentrate power into the hands of the minister and the Planning Commission. It needs to make a very good case because the complaints I am hearing from local government on this are significant. The overriding of local planning schemes can only corrode the integrity of the government and undermine the good standing of the planning minister. My point is that this needs to be developed in a way that continues the long tradition of a robust and independent planning system in which the people of Western Australia can be confident in relation to community consultation and respect of the wishes of the community through local planning.

In the time remaining I will touch on the regional aspects in the budget. It is important that I do so. I made the point earlier that the Mining and Pastoral Region is close to my heart and I am committed to represent to the best of my ability the needs of that community. I will start with the electorate of North West Central. North West Central remains one of the most disadvantaged regions in the country, with scattered small towns. Anyone who has been through there would know how widely dispersed it is. I believe there are only 8 000 or 9 000 electors in that place from the border close to the Northern Territory all the way through to Kalbarri and up to Exmouth. It is a significant area. I welcome the additional funding following cyclone Seroja and the enhanced state recovery structure. I put

on the *Hansard* record a concern that is coming from the community, and I hope the Minister for Energy reads this. I am sure he has representations. There is a lot of concern about the value of managing Kalbarri in relation to the south west interconnected system because the unreliability of power has been an ongoing matter. I throw this out there for consideration. The reliability of power in that community would be better served with a completely independent system managed through Horizon Power, given we are moving to a new type of energy environment. I am sure the minister is thinking about these things, and I hope so, because I feel it is important to put that on the record. I welcome the funding for Meekatharra and Tom Price Hospitals and I will watch closely the delivery of that funding. It is important that this government be held to account on the delivery of the budget measures.

I want to finish my comments on North West Central with a matter reported in the *Kalgoorlie Miner* of 14 September 2021. I will read an article that quotes an elder from Kanpa, Preston Thomas, someone whom I know. He raised the issue of the waste management service in Warburton and surrounding communities barely functioning. I quote —

... Aboriginal communities which are home to more than 1000 people, leaving household rubbish and toxic waste such as asbestos from construction and demolition sites uncollected in public areas.

People have been forced to burn waste to dispose of it, exposing them to toxic emissions which can cause a range of potentially life-threatening diseases.

Meanwhile, water pipes in Warburton—the region’s largest community—are ageing, split and cracked, triggering concerns toxins could be contaminating the water via leaks into the pipes.

Preston Thomas, a Kanpa elder from the Ngaanyatjarra Lands, said the Government should use its strong economic position to step in and ensure basic services were available in the communities.

I say to Mr Thomas, “Hear, hear!” It is vital that we provide for our communities. When we meet the people in those communities, it does not feel like Western Australia is having a resources boom—quite the opposite. We absolutely need more focus on those very remote areas to ensure that they have an acceptable level of standard of service.

In relation to the Pilbara, I again have to step through this very quickly in the remaining time that I have. I welcome the step-up, step-down facility in Port Hedland. Mental health is a massive issue in our regions. However, I have no confidence in its delivery; I worry about the delivery of that project. We are still waiting for that facility in Broome. I understand that early planning work has been done, but the delays are unacceptable. Another issue is Hedland Health Campus. I have said many times that we need to make that an absolute priority. We need to protect our economic hub. We need to invest more.

I would also like to put on the record my commendation to the City of Karratha for having the foresight to step up and fill the gap in dealing with the housing crisis in the north of the state. That is a tremendous outcome. It is interesting that the previous Barnett–Grylls coalition government made a massive investment in housing in the north of the state. That was highly criticised by the Labor Party when it was in opposition. That government made a massive investment to deliver affordable housing into Karratha and Port Hedland. The local government is now stepping in to fill the gap.

I have both the Kimberley and Kalgoorlie in my electorate, and I need to get through them. I would like to make a few points about the Kimberley. Well done to the government on Derby District High School. I will be watching that project to make sure it is delivered. The funding for the Broome boat ramp is disingenuous. It will not be enough to fully fund it. I doubt that a single sod of dirt will be turned. This government seems to be very keen on doing a lot of sod-turning exercises. When we look at the number of times government members present themselves for photos of themselves throwing a bit of dirt around, we would almost think they are spending their time building these projects. I would like to see the Broome boat ramp delivered in this term of government. The allocation of \$7.8 million for the juvenile justice strategy is also simply insufficient. We need more funding for this because it is a major initiative for the future of our children. Again, housing is a massive issue. I will not go into that any further, because we have talked about that already.

I have heard the calls from police—which is very unusual—and have seen the reports in the media, about the challenges of policing in a place like Fitzroy Crossing. We need to do more in our communities to ensure that people are safe.

The final point I make about the Kimberley is will this government please have a look and talk to somebody about the checkpoint at the Western Australia–Northern Territory border at Kununurra. I have heard reports that people have to be asked to turn off their phones so that another person can turn on their phone to download a G2G PASS. Would it not be great if the right facilities were provided at that point to deal with the inevitable issue of needing to hold people for a period while they are tested for COVID-19? That would be fantastic.

Noting the time, in relation to the goldfields, I welcome the funding for Coolgardie–Esperance Highway at Emu Rocks. I again note that the federal government is largely responsible for that. I also welcome the installation of audible edge lines on Great Eastern Highway. I must say, as someone who travels that road—I am sure Hon Kyle McGinn

would agree—that the section of road between Southern Cross and Coolgardie is substandard given the amount of traffic it carries.

The redevelopment of Laverton Hospital has been delayed. We have seen the slow pace of rollout of that project.

We need to deal with youth crime. Members would have seen the statistics that I received after I asked a question about the problem of youth crime in Kalgoorlie. We need to invest more in intervention to deal with youth crime.

In summing up, it is vital that we have a clear strategic vision. The post-COVID-19 resilience plan needs more investment. The Labor government needs to make sure that it delivers on its election promises. I will raise one other matter. I cannot find in the budget papers the dialysis centre at Halls Creek. I will give the government a heads-up here. There was a promise to do that, and it was a great promise. I would like to be confident that that project is underway. We need to deliver for Western Australia, and we need to deliver for the Mining and Pastoral Region.

Debate adjourned, on motion by **Hon Pierre Yang**.