

**REGIONAL WESTERN AUSTRALIA - SERVICES AND INFRASTRUCTURE**

*Urgency Motion*

**THE DEPUTY PRESIDENT (Hon George Cash):** I have received the following letter addressed to the President of the Legislative Council, Parliament House, Perth -

Dear Mr President

I hereby give notice that pursuant to Standing Order 72 I intend to move today:

“That this House expresses its grave concern at the Carpenter Government’s continued erosion of essential services and delays in the provision of infrastructure in Regional Western Australia.”

Yours sincerely

Nigel Hallett

Member for the South West Region.

It will be necessary for four members to stand in their places to indicate their support for the motion.

[At least four members rose in their places.]

**HON NIGEL HALLETT (South West) [3.38 pm]:** I move the motion.

I bring this urgency motion before the house today with great concern. There is a move around regional parts of Western Australia indicated by editorials in many local newspapers and letters to the editors. One letter I read on the weekend in *Kalbarri Town Talk* in part reads -

What happened to the promises of our state Government who won the last two state elections with platforms focussing on improved Health, Education and Policing. In my opinion the WA Government has let the people down badly. They have the responsibility to maintain law and order. They have the power, they have the money but apparently they do not have the will . . .

That is a very common letter. The government is in a position to provide well-planned infrastructure and is in the right place at the right time with the strength in the economy to do so. The provision of infrastructure plays a key role in the wellbeing of all communities, and is a key function and responsibility of the current state government. It is also the foundation for growth and employment opportunities. We do not need to look too far to understand the basic fact that poor and inadequate infrastructure is an ongoing impediment to not only economic growth, but also, equally importantly, social growth. In rural and regional Western Australia, and across the nation as a whole, the provision by the government of adequate and essential infrastructure and associated services is absolutely critical to the ongoing development, economic viability and prosperity of all these areas. That is why I have moved this urgency motion today. It is to not only highlight, but also reiterate what I have spoken about before; that is, the pressing need of this government to pay heed to the effect that the lack of adequate infrastructure is having on people, communities and opportunities for economic growth in rural and regional Western Australia. It is imperative that this government direct more of its resources and surplus income, the bulk of which is generated in rural and regional areas by the sheer windfall of the resources boom as well as excessive taxation, to ensure that roads, housing, health care, water, sewerage, education and law and order, to name a few, are either improved or brought into rural and regional areas where the need for basic infrastructure is so acute.

The areas to which I refer often include towns where the resources boom has taken off around them. I will talk about Hopetoun in a minute. I will give members a few details of how big the fly in, fly out workforce is in the state. Skippers Aviation Pty Ltd owns 21 aircraft and expects to transport in the vicinity of an additional 260 000 passengers throughout Western Australia this year. Last month Qantas announced it would add an extra 5 000 seats on its Western Australian intrastate flights by 2008. It will also increase the capacity of the flights between Perth, Sydney and Melbourne by 25 per cent over the next two years to cater for many of our fly in, fly out regional workers. When I came back to Perth through Adelaide recently, I was absolutely amazed at the number of people on the flight who were purely fly in, fly out workers. I talked to a few of them while we waited for our baggage. They spend two and a half hours on a plane to get to Perth. It does not take much longer to get to Perth from Busselton. It was quite an eye-opener.

In fairness to the government, the Ravensthorpe nickel project in Hopetoun certainly has become much larger than was anticipated. However, the government’s inaction once the size of the project became apparent has certainly had a significant effect on the town’s economic and social development. The locals have fairly laid the blame at the feet of the government. BHP Billiton has had to halt its plans to establish a residential workforce in Hopetoun to staff its \$2 billion investment in the Ravensthorpe nickel mine. The government has failed to invest

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in basic infrastructure such as the sewerage plant, which is necessary to expand the population of Ravensthorpe, as envisaged by BHP's strategy. We all know that BHP would have preferred to have built houses in Hopetoun rather than use a fly in, fly out workforce. In a memorandum of understanding with BHP, the state government committed to building a waste water treatment plant to assist the development of the town and its facilities. Because of the government's apparent lack of commitment to the project, development in the town has ground to a halt because its sewerage system is unable to cope with the extra pressure that would be placed on it by the population increase. The Department of Health has ruled that the development of the town should stop until this system is completely upgraded. This means that the 200 new homes that were to be built on LandCorp land for the workers will not be built and the more than \$10 million of investment that was proposed to be spent on commercial development to improve the everyday services, such as shops and childcare facilities, will not be spent. The town's population has increased from 400 to 1 300 in a very short time. The result is that BHP has had to go back on its commitment to use a residential workforce and has put approximately half its workers on a fly in, fly out roster.

No-one really knows what is going on. According to a Water Corporation spokesman in a recent media report, planning for the \$30 million waste water treatment plant to vastly upgrade the original plant has been completed and it is now simply waiting for the commitment agreed to by the state government. In early September in this house I asked the Leader of the House representing the Minister for Water Resources if a commitment had been given regarding the Hopetoun waste water project. He replied that the government had committed \$11.1 million. That is a long way short of the estimated \$30 million that the Water Corporation said was needed. Which figure is correct? Why is the minister saying that the government has not given a commitment when the Water Corporation says that the minister has made a commitment? Why is there such a vast difference between the amount the Water Corporation estimates the treatment plant will cost and the amount that the state government says it has committed? The government is either not listening or it is not taking advice from the experts in this matter. I question whether \$11 million is enough to construct a waste water treatment plant that will be sufficient to meet the needs of Hopetoun's future population. The Ravensthorpe operation is expected to have a life of around 20 years. In today's terms it will produce somewhere in the vicinity of \$200 million in royalties to the state government over that time. The \$30 million investment in infrastructure is vital to the community to allow the town to go forward. It seems to me that it would be a very good investment by the government to reap \$200 million-odd dollars in royalties.

The president of the Shire of Ravensthorpe, Mrs Brenda Tilbrook, is quoted in the *Kalgoorlie Miner* on 5 September 2007 in response to the comments that I made in a media release. She said that I was exactly right when I said that this was another example of the Carpenter government's disinterest in regional Western Australia and its failure to provide essential infrastructure. Rural and regional Western Australia is well aware of the fact that access to good infrastructure and services is absolutely essential when trying to encourage businesses and industry in their areas.

Building a new deepwater port in Oakajee in the state's mid-west should be an absolute priority of the Carpenter government to allow the iron ore and associated industries in the region to develop to their full potential. I must concur with the recent comments by Hon Colin Barnett that the government is risking the region's future by putting the port out for private tender. He quite rightly questioned whether the government would entertain the thought of allowing foreign governments a degree of control over such an important piece of infrastructure in Western Australia. I could not agree more with Hon Colin Barnett that the building of ports is the domain of government. It is a government responsibility and should be treated as such. The private sector can contribute to the infrastructure behind the port. The government is prepared to neglect that responsibility as well as many other pressing and acute infrastructure needs in regional Western Australia.

I have spoken before about the electricity infrastructure in towns such as Denmark, Walpole, Ravensthorpe and Jurien Bay. The developers in those areas are certainly sitting back. If a business is located more than 25 kilometres from a substation, the connection fees are horrendous. One of the highest connection fees I have heard about is up to \$500 000. The connection fee in Denmark is around \$14 000 and the headwork connection in Walpole is about \$22 000. When the Minister for Energy was questioned about this recently, we discovered that it has been eight months since a new power connection was established in either of those two towns and it has been 11 months since a major development has been given approval from Western Power for power a connection.

We constantly hear about how bad the health system is in the metropolitan area, and I believe that it is dire. However, members should spare a thought for those people whose only options are to spend a long time travelling to a hospital with inadequate facilities. We have heard calls for basic upgrades of regional hospitals in towns such as Northam and Merredin. These calls have gone unheeded. I recently read about the \$3.7 billion budgeted for health care infrastructure over the next nine years. Surprisingly, approximately \$1.4 billion of that

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was to be spent on the two metropolitan health projects; namely, the Fiona Stanley Hospital and the Joondalup Health Campus. The regional and remote areas were allocated a mere \$175 million. With several of Western Australia's regional areas among the fastest growing areas in the nation, I find that very hard to comprehend. It certainly demonstrates a lack of general regard for regional Western Australia.

With health care shortages throughout country areas, many shires have to deal with severe staff shortages, lack of beds, difficult working environments and outdated infrastructure and equipment. Housing, in particular, has become a huge issue, whether it relates to police, teaching or whatever. As I said before, it is certainly ignored by the government. One could say that because there are few votes for Labor in regional WA, it does not really care.

I have mentioned the Harvey Agricultural College many times. It is an absolute disgrace that its students are forced to live in seriously substandard accommodation. If the staffing accommodation was in any metropolitan area, it would be replaced immediately. This has been brought to the attention of the minister several times. I acknowledge that the current minister has been to Harvey and looked at it. We are awaiting his response on the Western College of Agriculture - Harvey.

The government is responsible for building, maintaining and upgrading essential infrastructure such as hospitals, schools etc. If there are good facilities in country areas, people will be attracted to them. There has been no guarantee on the construction of the Outer Ring Road or the Bunbury port access road. No time has been promised for when the Greenbushes-Bunbury railway line will become operational. We have seen no commitment to the Augusta marina. We all know that inadequate transport infrastructure will lead to problems in the port. Given that transport volumes have more than doubled over the past 20 years, this is inexplicable. Development in Donnybrook has been on hold for years because of a lack of an infill sewerage program. It was supposed to be constructed some years ago. One will not forget that after winning government in 2001, one of the first things Labor did was suspend the infill sewerage program implemented by the Court government. That resulted in the amount allocated being cut from some \$90 million down to somewhere between \$25 million and \$30 million. As a result, development in regional areas was put back many years.

**HON MURRAY CRIDDLE (Agricultural) [3.53 pm]:** I want to make a few remarks on the motion moved by Hon Nigel Hallett. I thank him for doing so because I also have some grave concerns that this state may be missing out on some opportunities because decisions are not being made at a time that would allow projects to develop. We have rarely had the opportunity, and the funding and revenue in place, for development to go ahead in this state, particularly in the mid-west. They are two of the absolutely essential features that we have in this state now that we should take full advantage of. I say that also in the context of the people in the mid-west who are facing a very serious problem in the agricultural regions with their crops and the like. There is an opportunity to allow those people to get meaningful jobs close to home, close to their families, and to take full advantage of any wages or funding opportunities that come with that. Modern farming operations allow people to work on different projects when they are not seeding or harvesting because a lot of them do not have any stocking arrangements in place. They have the opportunity to get off their properties and benefit people who want to see infrastructure develop. I can assure members that the project managers who employ people want to see farmers on their operations because they have the skills to drive excavators and so forth. I know from my own farming operations that one of our people is working on the water pipeline. Hon Kim Chance would know what I am talking about. It is a great project because Northampton runs out of water now and again. There is an opportunity for local people to get involved. Some of the people working on those projects are not skilled enough to operate certain machines. Once again, people from farming operations have the skills needed.

Decisions need to be made in areas such as the industrial site at Oakajee, which needs road, rail, water, power and maybe gas in place to allow it to develop, and not just for the mining industry. That is a multi-operational opportunity. It provides an opportunity for various projects to occur. For instance, a fertiliser plant has been talked about, and other projects may be set up. Infrastructure needs to be in place to allow those projects to happen. Hon Nigel Hallett mentioned the port. The opportunity to develop the port either should be taken up now or we should tell people exactly what is going on. I understand that the government is serious about this issue. It has a project development person up there whom I have met several times but we do not seem to be getting any action. A mining industry will be in place and if the Joint Ore Reserves Committee processes have been undertaken on the mining tenements to prove the fact that we need the port, something should be done immediately to get on and do it.

**Hon Kim Chance:** Has that second stage been reached though? Are the reserves proven on sufficient -

**Hon MURRAY CRIDDLE:** The Leader of the House has raised a very good point. I just said that we need to get that particular operation in place. If that is an impediment, the mining companies need to come forward and say that it has to be done. The indication I have is that the mining companies want to go ahead because money is

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being poured into all those operations. Murchison Metals Ltd and Mitsubishi is one set of proponents, Yilgarn-Midwest has got together and WestNet is looking at upgrading the railway line out to Mullewa and maybe down to Perenjori.

**Hon Bruce Donaldson:** Mt Gibson.

**Hon MURRAY CRIDDLE:** That is a resource, though. I am talking about people who want to build the railway.

**Hon Kim Chance:** I think Gindalbie is the only proven resource of any scale.

**Hon MURRAY CRIDDLE:** I understand that Gindalbie Metals has a substantial resource. Midwest has some resource there that it would like to truck. I need to tell the Leader of the House that the opportunity to build the siding down at Morawa has not been granted yet; an environmental clearance or some other clearance is required. I understand that it has shifted the siding to a point that is better from an environmental point of view. It is more expensive; it is called Tilley East. If that is what the Leader of the House wants, the government should allow the thing to go ahead. Sixty-four rail carriages have been sitting in Narngulu for six months. They are not used. If the Leader of the House wants the produce to go on the rail, he should tick off the environmental and construction requirements and let it go ahead.

The other thing that is happening is that transport operators have until the end of the month to carry out operations with a permit and then it stops. Will the government extend that permit for that road operator to carry out operations and take advantage of further opportunities? Fifty people are employed by that particular person. Will we see another 50 people without a job and the iron ore not being carted to the port? I am told that the ships have left China. They are on their way to Western Australia to pick up the iron ore. They will not be able to load their ships with the iron ore from Midwest Corporation. Decisions need to be made about that. We need to get off our backsides and make some decisions in these areas.

I want to see decisions made about the port. If the government thinks that the mine operators do not have their JORC right and they do not know the capacity of the tenement, it should tell them that has to be done so we can get on with it.

**Hon Kim Chance:** The reason I put that question - I do not want to use your time up - is because it is clear that the owners of the resource aren't going to expend the money for the construction of the port until they have proven up their resource.

**Hon MURRAY CRIDDLE:** That is true, but there are rail operators around who want to carry out the construction.

**Hon Kim Chance:** Not until they have proven the resource.

**Hon MURRAY CRIDDLE:** That is their responsibility, Leader of the House.

**Hon Kim Chance:** Yes.

**Hon MURRAY CRIDDLE:** If they build something that does not work, we know the financial responsibility that goes with that decision. If the Leader of the House is telling me that they are not building it because they do not have the resource, and they are saying to us that they want to build it, that must be sorted out as well. There must be some serious discussion about that issue. As a minister, I had to deal with that issue in Esperance. They need to sit down and get a clear indication of what the issue is.

I will touch on the distribution headworks scheme. Businesses and residents who are more than 25 kilometres from a substation will have to pay a contribution to the capacity upgrade. That is a substantial cost that will be put on development or residential property across regional Western Australia, across the south west interconnected system. It is a substantial burden. The member for Stirling has done a lot of work in this area in the south. He tells us regularly about the issues that are involved. He knows the issues very well and has put forward the arguments. I am going to ask a few questions about this.

I will come back quickly to that business about Midwest Corporation, the road and the requirement for a permit. That must be addressed now. The whole mining operation cannot be stopped. I know that these are fines, but exporters are waiting to see that particular iron ore go into Geraldton. The talc has gone onto road, and Murchison is carting by road. The oil is going down Brand Highway. If we want to be fair about this, this must be allowed to continue.

I thank the member for bringing forward this issue. I could go on with a whole range of things, having been Minister for Transport. I want to talk to the Minister for Agriculture and Food about projects that need to be

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done in the mid-west to complement the opportunity for drought-stricken farmers to get involved, because we need some positiveness in that area to allow those farmers to take some pride in what they do.

**HON BRUCE DONALDSON (Agricultural)** [4.01 pm]: I also thank Hon Nigel Hallett for raising this very important issue. Quite clearly, what is being shown by this - the mid-west is a prime example, as Hon Murray Criddle has indicated - is that we have a government without leadership in some of these regional and rural matters.

**Hon Kim Chance:** Why? Why do you say that?

**Hon BRUCE DONALDSON:** It is so evident. The government should show some leadership on iron ore in the mid-west, to start with. I will tell the Leader of the House the reasons for this. Foreign investors with substantial sums of money want to start building a railway line. Thank heavens -

**Hon Kim Chance:** Not until they have proven their resource.

**Hon BRUCE DONALDSON:** The Leader of the House can speak all he wants later. To start with, the Court government had the vision to put in place the industrial area of Oakajee; right?

**Hon Kim Chance:** I wouldn't be over-proud of that if I were you - the mess you made of that.

**Hon BRUCE DONALDSON:** I am very proud of it. I think the Leader of the House should talk to his former ministerial colleague Clive Brown, because that is one of the things that he indicated to me when he was in this Parliament -

**Hon Kim Chance:** So we can thank you for the state agreement act, can we?

**Hon BRUCE DONALDSON:** I can say that the Court government provided the opportunity for Oakajee to go ahead; otherwise this government would still be fiddling around in 2025. The government should get real and provide some leadership. I would hope that the Leader of the House would support his former ministerial colleague Hon Clive Brown -

**Hon Kim Chance:** I certainly do.

**Hon BRUCE DONALDSON:** - because at least he has some vision and leadership, which is sadly lacking in this present government, and it is showing up every day of the week.

Another issue I want to talk about is the infill sewerage program. Even the Greens (WA) could not give credit to the previous Court government for what it did with infill sewerage. There probably would still not be residential development all the way from Perth to Yanchep and Albany if it had not been for that infill sewerage program. The overflow from the septic tanks was going into the Swan and Canning Rivers. I can well remember the then opposition arcing up over this issue because we were going to contract out the work. It only saved the taxpayers of Western Australia about \$600 million when the program was completed! We had a program for all the country towns. We were going along steadily and increasing the amount of money that was going into regional and rural Western Australia for that program, because the work had been completed more quickly than the government expected in the metropolitan area of Perth.

That program has been cut back savagely in some towns that would have expected to have the infill sewerage program completed to allow residential development to take place. Some towns were supposed to have infill sewerage by 2008, but now it looks like it will be 2018. I think it is an absolute disgrace, when the government will probably announce tomorrow that it has another \$2.2 billion surplus. This government is in the fortunate position of being in power at a time when Western Australia has unprecedented revenue coming in.

If there is a change of government federally, no doubt Mr Carpenter, the Premier, will be very keen to make sure that the goods and services tax is abolished. I would like to see that! I can remember all the bleating by the now government, when in opposition, about the GST. It thought the world was going to stop. By gee, it loves the money coming in. If members of the government are not to be hypocrites, they should talk to all their Labor colleagues in the states, which now all have Labor governments, and say that collectively, if Mr Rudd gets in, they should abolish the GST. I think that would show that they are genuine in what they bleat about.

The delays to the infill sewerage program have been an impediment to the release of land in many country towns. For goodness sake, in a state the size of Western Australia, people cannot build a house in half of the little towns in rural and regional Western Australia simply because they cannot afford the headworks charges. In a small country town, people cannot put a figure of \$40 000, \$50 000 or \$60 000 on a block of land to cover the headworks charges, which are so severe on residential development. Developers need to make a profit. In a small country town - I will not name one, because the town may not like it - a block cannot be sold for more than \$5 000 or \$8 000; yet it costs \$60 000 to actually develop the block.

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This is an area in which some leadership should be shown. The present government has talked about decentralisation, but it is only paying lip service - absolute lip service. Quite frankly, the government has lost its vision over the Darling Range. It is not a very high range; however, the government has lost its vision. It is very happy around the coast. However, with the fishing industry, the government is now going to remove all the commercial fishermen from those regional towns. Therefore, I guess that is another issue. Maybe the government can see the coast also.

One of the other issues I will talk about is the inadequacy of this government with education. One need only talk to teachers and principals. The government should talk to some of them. I do not think the government is talking to them. Those people have told me some stories, and they are absolutely fed up. The government is losing more and more teachers, and that will continue. The maintenance that should be carried out on some of the schools is not happening. I just heard the bell in the chamber. Does that not ring a bell about what happened - that was very smart -

**Hon Simon O'Brien:** He's good, this bloke!

**Hon BRUCE DONALDSON:** That is very good. When the Court government came to power in 1993, the first thing we had to do was find about \$400 million to bring the maintenance of all those schools up to scratch. I can see the same thing happening again. This present government should probably be thrown out in 2009 anyway. One would hope that the people of Western Australia are not fools and will make that happen. Luckily, when we are in government, we will have the same large revenue stream as this government, and we will use that revenue to fix the problems in areas such as education.

I will not argue about hospitals, because I believe that the small country hospitals are not in a position to provide the equipment and resources that are required for the minimum intervention techniques that are currently used in surgery. Another problem is the shortage of nurses and clinical backup in country areas. It would not be possible to resource the theatres in those country hospitals with the equipment that is required. Therefore, I can understand the reason for the centralisation of surgery. However, the government should at the very least use the huge revenue that is coming into its coffers every day of the week to provide emergency services and backup support, such as from the Royal Flying Doctor Service, for people in the major teaching hospitals in rural and regional Western Australia who need surgery.

If the government got off its backside and showed some leadership in the mid-west, it would be able to get an even bigger return from royalties from those resource projects. If the government would allow the mining of uranium in this state, it would get another \$1 billion in royalties, which it could spend in rural and regional Western Australia. I could give a litany of examples of how bereft this government has been in providing services and infrastructure for rural and regional Western Australia. This government has only paid lip-service to the people of rural and regional Western Australia. How about putting some runs on the board?

**HON JON FORD (Mining and Pastoral - Minister for Regional Development) [4.12 pm]:** I always listen with interest to this debate as it comes up from time to time. One would think we were talking about a different state altogether. I am amazed at the comments that have been made about this state. That is certainly not the state that I travel around. When we came into government, there were only about 600 people in Paraburdoo, and it was in decline. Someone could have fired a cannon through the middle of Paraburdoo in the middle of the day and not hit anyone! Four years later, when the Gallop government came into power, we could not keep up with the pace of development in Paraburdoo.

Several members interjected.

**Hon JON FORD:** I am trying to put it in context. I cannot tell members how many people have now gone into Paraburdoo. It is booming. That is just a little snapshot, because everywhere we go in this state, it is booming. If we go to Tambellup, Kalgoorlie, Newman, Port Hedland, Kununurra, Broome, the Gascoyne or Exmouth -

**Hon Norman Moore:** What about Geraldton?

**Hon JON FORD:** We cannot recognise Geraldton from what it was when we came into government. It now looks like a completely different city. In fact, it is a completely different city.

**Hon Murray Criddle:** You are not being fair. The planning was in place for the port. We had also started work on the southern transport corridor. I announced that in October 1999. You need to be realistic.

Several members interjected.

**The DEPUTY PRESIDENT:** Order, members! The Minister for Regional Development has the call.

**Hon JON FORD:** I am putting it in context. This state is booming. Someone asked me the other day whether I was disappointed about the lack of progress in Hopetoun, because that is such an important project for the state. As I said to that reporter at the time, every project is an important project for this state. There are so many

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projects in this state that members would find it impossible to list them all off the top of their heads. This state is absolutely booming. We are struggling with all the issues that arise in a boom. We are not running away from that. We are investing as much as we possibly can to provide the necessary infrastructure for this state. I will go into that further in a moment. In fact, we are providing infrastructure hand over fist, to such an extent that we are contributing to the heated economy. This state, like every other state in this nation, is suffering skills shortages and cost escalations, and all the other issues that arise when the economy is heated. I would like to be able to respond to Hon Murray Criddle's comments about Oakajee. I cannot do that in detail now, but I will try to find a more detailed current position for the member.

**Hon Murray Criddle:** Please do.

**Hon JON FORD:** I have a briefing note here, but because of the short notice it is bit of a cut-and-paste job. As I understand it, there are two competing joint venture partners, and that is contributing to a lot of the argy-bargy about the infrastructure. Commercial pressures are also being brought to bear. On top of that, most of the reserves have not been proved. I understand that the general consensus is that the time line of about 2011 for when these companies are planning to bring the mines on line is unrealistic. However, I will try to find some more information on that matter.

**Hon Murray Criddle:** There are two issues. One is environmental clearances. Also, do not forget that an act will need to go through Parliament for the rail.

**Hon JON FORD:** Okay.

Hon Murray Criddle talked also about the transfer of jobs from the farming sector to the resource sector. Of course, that is a double whammy at the moment. Many rural areas in Western Australia are experiencing hard times as a result of the drought and the downturn in that sector. When there is a shortage of jobs in one sector, there is a transfer of skills to another. Those skills then need to be attracted back to the sector when the situation improves. That is also a challenge in the fishing industry.

Fly in, fly out is another interesting issue. When I first came into this position, fly in, fly out was regarded as a poison chalice. The member for Murchison-Eyre made the comment at the time that it was the cancer of the bush. Now we cannot imagine regional Western Australia without a fly in, fly out component. In fact, were it not for fly in, fly out, it would not be possible to provide a workforce for many of the projects in this state. Like every other state, we are advertising and are trying to poach skilled labour from other states. We are now being forced to look outside this country to try to meet the demand for skilled labour. My colleague who sits next to me, Hon Ljiljanna Ravlich - who is currently away from the chamber on important parliamentary business - has done a lot of work on increasing the number of apprenticeships and traineeships to build up our reserves of skilled labour.

Let us talk about what the government has done, and do a bit of a comparison. I am not normally keen on comparisons, but I was interested in one to do with infrastructure and state government services. This one looks particularly at education. Capital expenditure on schools in regional areas has increased from \$58 million in 2001 to \$86 million in 2007. The government's capital works program in the regions has gone from \$496 million in 2005 to \$1.2 billion in 2007-08. That is extraordinary. As I said earlier in my comments, this government is just pouring the money in.

**Hon Norman Moore:** Into what?

**Hon JON FORD:** Into schools and hospitals; the member knows that. It is not possible to travel through the Kimberley without seeing what the government is doing.

**Hon Norman Moore:** When did the government last build a hospital?

**Hon Kim Chance:** Read them out.

**Hon JON FORD:** I could read them out. Geraldton was built in 2005, and Morawa last year.

**Hon Kim Chance:** Morawa is still being built, and Moora was built last year.

**Hon JON FORD:** Here we are: in 2002, Katanning multipurpose health centre; Goomalling multipurpose health centre, \$2.4 million; Pemberton, \$4.1 million; Narrogin; Kalgoorlie hospital, \$6 million; Wickepin nursing post, \$500 000; Nullagine, just under \$1 million; Ravensthorpe, \$3.2 million; and Oombulgurri, nearly \$1 million. Those were completed in 2004. Completed in 2005 was Geraldton, \$49 million; in 2006, Margaret River hospital, \$3.4 million; and Halls Creek, \$8.7 million. I will not have enough time to go through the others; the list goes on and on. Then we could talk about closure of schools. In the term of the previous government, 29 schools were closed. During the time of the present government, 12 schools have been closed. The previous

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government built seven replacement schools, and this government has built 15. This government is doing its job, and I am very proud of its performance in regional development.

**HON BRIAN ELLIS (Agricultural)** [4.22 pm]: I thank Hon Nigel Hallett for bringing this motion forward. Since I have been in Parliament and travelling around regional areas, the question that is asked most frequently is: when will the government start spending some of its wealth in the regions?

**Hon Kim Chance:** The minister just told you what the government is doing.

**Hon BRIAN ELLIS:** In proportion to what the government is taking, it is only a very small amount. It seems that the concerns that rural and regional areas had about one vote, one value are coming to fruition, as we see major spending on big-ticket items in the metropolitan area, such as the Perth-Mandurah railway and the Fiona Stanley Hospital. I support both those projects; they are very necessary for the growth of the city. However, fully funding these projects does not make any sense when vital and essential services are not being supported in country areas. I refer to the lack of nursing staff in country hospitals and the closure of country schools and police stations. If some of the money locked away for those projects in the metropolitan area was spent on regional infrastructure items, it would have been a far better use of the state's funds as an investment in the future. Where is the investment in the big infrastructure projects in regional areas, such as the deepwater port at Oakajee, the Lancelin-Cervantes road and the upgrade of the narrow-gauge rail network?

**Hon Kim Chance:** You lot flogged it off.

**Hon BRIAN ELLIS:** I will come back to that one. I remember when Hon Murray Criddle was Minister for Transport - a very good minister, I might say. He committed the government to completing the Lancelin-Cervantes road by 2003, at a total cost of approximately \$33 million. I understand that research done at the time by the Wheatbelt Development Commission indicated that this road would generate about \$700 million per annum in growth for the region. I do not know what it would cost now.

**Hon Murray Criddle:** About \$150 million.

**Hon BRIAN ELLIS:** Hon Murray Criddle tells me it is about \$150 million. That is a massive blow-out, and construction of the road keeps being put back. When it is considered that the road would have generated \$700 million per annum for an outlay of \$33 million, it can be seen that it is a great need for the state in tourism and other areas. I do not know when it will be built, because its construction date keeps being put back. That shows a lack of will on the part of this government to spend money in country areas, even when there is an obvious need. A road such as this will return its investment in growth for the region. This state is booming, as the Minister for Regional Development has said, and large numbers of people are coming to the state and regional centres to work. However, where is the infrastructure for these people when they get here? They are all coming to work here, but there is no housing, and many other infrastructure projects need to be put into place. That shows that the government has been caught out.

I mentioned Oakajee earlier. This is a major infrastructure project that is vital to the development of the mid-west. It is time for the Minister for Planning and Infrastructure to stop sitting on her hands and get on with the development of this project, before the opportunity is missed. I agree with Hon Nigel Hallett that the Oakajee port should be funded by the government, as the return to the state will be tremendous. The mining potential in the mid-west region is estimated at around \$2 billion, and it will create about 8 000 jobs in the area. It is critical that this project be up and running before the opportunity is missed. The plan at the moment is to hopefully have that port, all the rail infrastructure and the mines operating within five years. If we do not do something soon, we will miss out on that opportunity.

The narrow-gauge rail network, as I mentioned before, is of major concern to me as approximately 65 per cent of the state's grain moves to port by rail, and 70 per cent of that moves on the narrow-gauge rail network. The Western Australian grain industry generates in excess of \$4 billion in exports each year, which is by far the biggest single state agricultural contribution to the gross domestic product of the nation. Co-operative Bulk Handling Ltd has invested \$850 million in Western Australia's grain storage network since 1996. Future investment is in jeopardy, given the uncertainty surrounding the future of the rail network in Western Australia. CBH is seeking a partnership between federal, state and local governments and the industry, with the state committing \$13.3 million per annum to rail maintenance, rail feeder roads and receival site infrastructure, and \$6.7 million per annum to road upgrades. A total investment of \$20 million per annum by the state government in the future of the narrow-gauge rail network is required. If this maintenance is not kept up, we can imagine how the roads will deteriorate, which will add a further burden to the road maintenance budget, as more trucks will be forced onto the roads if the rail network is not kept up. Although large infrastructure projects are of vital importance to regional areas, smaller infrastructure projects and essential services, such as the maintenance of stockyards, are also vital to the survival of country towns in Western Australia. Action is needed now. With the



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closures of smaller yards such as Boyup Brook, Bridgetown and now Manjimup, other bigger regional centres such as Katanning are feeling the pressure, with exceptional unloading delays causing animal welfare concerns. I understand that the state saleyards strategy group is meeting with the Minister for Agriculture and Food to try to resolve these problems, and I hope they will be resolved.

This government has a lack of understanding of the smaller essential services that keep country towns alive: Kalbarri does not have enough water, Boyup Brook suffers from a lack of deep sewerage, and a small place like Piawaning, which is not far from where I live, does not have any water or enough land for its housing demand. This lack of understanding was clearly demonstrated on ABC's *Stateline* last Friday night when the Minister for Energy; Resources; Industry and Enterprise answered criticism of the new headworks charges and the fact that regional areas are being penalised. This comment was in response to a complaint from a local businessman that it will cost \$34 000 to have power connected from across the road. The minister stated that country areas would have to accept the new charges, and claimed some country development was speculative anyway. If the minister's attitude is that some development in the regional areas is speculative, there is not much hope for country and rural areas. This is one example of the bad attitude that comes through to be recognised by people in those areas. It is time that rural and regional people got a fair share of this great state's wealth, and I urge members to support this motion.

**HON KIM CHANCE (Agricultural - Leader of the House)** [4.32 pm]: I was not going to speak on this motion because it is an issue I thought the Minister for Regional Development, given the broad spread of the motion, would more appropriately lead for the government on; indeed, the minister did that job very well. However, I am amazed that members of the opposition, in knowledge of the facts, will make the statements they have made specifically, and also implicitly, in the motion. It would be one thing for opposition members to say, "The government has done a great job, but it could do more," and I would probably sign on to such a motion -

**Hon Murray Criddle:** I am on the record in Geraldton, minister, stating that I am very happy with what the government has done -

**Hon KIM CHANCE:** I thank the member, and I know the member is.

**Hon Murray Criddle:** That is on the record.

**Hon KIM CHANCE:** I know the member is, and I did not say all members, at all times, have failed to give recognition for the work that has been done in regional Western Australia. In debate on this motion, that lack of recognition certainly has been the case.

Members opposite cannot say that they are not aware of the degree to which this government and its predecessor, the Gallop government, have poured resources into the regions - no more, certainly, than the regions deserve. I accept the argument that the regions deserve more. Indeed, it is my job to advocate within government for at least three of those regions. I must consider the objective evidence given to this house so recently in relation to another motion: Hon John Ford, Minister for Regional Development, has just given a sample of the information the government supplied some weeks ago in relation to capital works expenditure in the regions by going through some of the hospital expenditure. I turn to the Kimberley region; I am not even speaking about one of my own regions now. It is difficult to go to a regional centre in the Kimberley in which health facilities have not been either completely replaced or completely refurbished in the past six years. It is practically impossible to find a town where that has not happened. When I go into my electorate, where we have, in the main, either stable or declining populations, and, as a result, to some extent a surplus of capital assets because of the declining population, brand-new hospitals are being built, such as Morawa, which is under construction now; Moora, which was completed last year; and Geraldton, which was completed two years ago. I find the argument relating to mid-west infrastructure to be amazing. We have here an ongoing debate between the Liberal Party and the National Party about who will have the new seat of Geraldton-Greenough because -

**Hon Anthony Fels:** It will not be Labor.

**Hon Bruce Donaldson:** It will not be Labor!

**Hon KIM CHANCE:** Do not be too cocky about that, honourable members, because this is the absurd situation we have here. If Hon Brian Ellis is to be believed, the Liberal Party has committed to spend \$1.5 billion on the Oakajee port, a port which the proponents have already said they will pay for themselves! Why on earth would the taxpayers of Western Australia subsidise Mitsubishi Corporation and Sinosteel Corporation to build a port that they have already said they will pay for? It is not just Hon Brian Ellis - I will not pick on him. Hon Colin Barnett said the same thing publicly two weeks ago. Come on; I do not think the taxpayers of Western Australia will be flocking to line up to vote for the opposition on the basis that it will spend \$1.5 billion that it need not spend.

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**Hon Norman Moore:** I thought you didn't like private ports.

**Hon KIM CHANCE:** The Geraldton Port Authority will control the port, whoever builds it. Therefore, the Geraldton Port Authority will be the public authority in charge of ensuring that the port is operated correctly.

Several members interjected.

**THE DEPUTY PRESIDENT:** Members, this is a timed debate, and the Leader of the House has the call.

**Hon KIM CHANCE:** Thank you, Mr Deputy President. The really amazing thing -

**Hon Murray Criddle:** Following that strategy, why not talk about James Point? You stopped James Point being developed and you are going to build your own? Where is the -

**Hon KIM CHANCE:** James Point cannot be developed until the Fremantle outer port plans are made; the member knows that!

**Hon Murray Criddle:** What a load of rot!

**Hon KIM CHANCE:** One could impinge on the other, and there are legal issues there that I am not going to comment about in public. In respect of -

**Hon Norman Moore:** It is hypocrisy!

**Hon KIM CHANCE:** It is amazing how quickly opposition members are prepared to run off the mid-west issues when they know they have just been beaten up.

I want to now talk about the rail component of the mid-west.

**Hon Murray Criddle:** I want to talk about the minister's argument and how hypocritical it is, because he is doing one thing here and another thing in Geraldton. That is all I am saying.

**Hon KIM CHANCE:** I am telling the member that the James Point proposal could be impinged on by the Fremantle outer harbour consideration. When the government knows where the Fremantle outer harbour will be located, James Point will be clear to go ahead and get its environmental accreditation.

It is a similar situation with the railway: there was a proposition from two major proponents to build the railway. The proponents will not build the railway or the port until they have proven their reserves. One cannot go to the stock exchange and say, "I'm going to spend \$3 billion on infrastructure, but I don't have my reserves proven and listed on the stock exchange yet."

Motion lapsed, pursuant to standing orders.