

JOB LOSSES — GOVERNMENT RESPONSE

Urgency Motion

THE PRESIDENT (Hon Nick Griffiths): I am in receipt of a letter in these terms —

Dear Mr President

That the Council consider as a matter of urgency the Government's failure for its lack of action in defending West Australians from job losses due to the current economic climate and calls on the Government to adopt a proactive approach in supporting and working together with Western Australian employers and employees, by using any or all means it has at its disposal in assisting them to weather the current economic downturn.

Yours sincerely

Hon Jon Ford MLC

The member will require the support of four members in order to move the motion.

[At least four members rose in their places.]

HON JON FORD (Mining and Pastoral) [3.42 pm]: I move the motion.

Where we find ourselves in Western Australia today is not, of course, anybody's direct responsibility. We are experiencing an unprecedented global economic meltdown. The tentacles reach right across the world—nobody is exempt. Western Australia is very much part entwined in the world economic scene. We are suffering from the reactions of the economic downturn and will suffer from that for some time.

From what we have seen to date, this government is sitting here as a spectator to disaster. With the exception of the BHP Billiton Ravensthorpe closure, all we have heard in commentary is, "This is bad. We have got more projects on the way. At least they're still employing this number of people. Western Australia is in a better place than most." However, we do not hear a cogent policy on how we can protect jobs. What is apparent is that the government is trying to talk down the problem. The reason it is trying to talk down the problem is twofold—one is good and one is bad. On one view it is good because the government wants to maintain a level of optimism in Western Australia—and there are reasons to be optimistic. The other view is to cover up the fact that this government does not have a decent, cogent policy for dealing with it. One of those things, straight up, is education and training. We do not have a cogent policy on training. We have had questions asked in this house about education and training. We are still yet to find out what is on the table. I listened to Hon Peter Collier in the last session, and I was not quite sure at the end of it whether he was defending himself personally or whether he was trying to deliver a cogent policy on that matter, but I am sure I will hear about it.

What is the current situation? There are wildly fluctuating figures and it is hard to pin down the figures. The figures I am going to talk about come from Australian Stock Exchange media releases and communications with the Chamber of Minerals and Energy. In the resource section, the Chamber of Minerals and Energy advises me that it feels there are about 7 000 job losses. The chamber takes those figures from advice that companies have given to the ASX. The chamber believes there are probably another 3 000 jobs on top of that that come from direct contractors who do not have reporting obligations to the ASX. The chamber thinks there have been between 10 000 and 15 000 job losses, and then there is a multiplying effect in the community of about four. That is in the resource sector alone, which was the first sector hit. That is the current situation. We can argue about whether we have 7 000 or 15 000 lost jobs, but we know the number is escalating and it is not very good.

The other issue we are now seeing, outside the resources sector, is that other major industrialist, petrochemical projects, such as Hismelt, are being parked away. We are seeing other primary industries under stress, such as Harvey abattoirs and jobs in the timber industry. It is not getting any better. We still have not heard anything from the government about how it is trying to address this issue. We have heard Hon Norman Moore, the Minister for Mines and Petroleum, in public commentary say that if we have any good ideas, "Tell me and I'll listen to them." Yesterday, the Leader of the Opposition, Hon Eric Ripper, gave some ideas in a plan to look at addressing job losses. The Varanus Island incident was comparatively minor in regards to job losses. At that time we had the then opposition calling for a Senate inquiry, citing cover-ups, and all sorts of politically motivated talk, without any focus on the actual damage in numbers or suggestions on how to fix it. Within days of the inquiry, we had a ministerial committee look at the economic impact and how we could manage that within business and minimise that economic impact. We had another committee, which I chaired, trying to identify the social impact, and then coordinating the available resources to meet that impact. Luckily, it did not turn out as bad as everybody was predicting, including us, but we were able to meet that issue. One of the interesting things

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljana Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

about that exercise was it actually showed a few gaps, especially in responses between the commonwealth and the state. There were certainly lessons learned that the government can call on.

When we first came into government, I was a brand-new member. I remember Hon Norman Moore pointing across the table—I think it was in about the first week—to the front bench and saying, “You are in government now; you’re responsible!” That is right; members opposite are in government now and they are responsible. What we are now seeing is a total failure to contain the budget, which is not assisting in stopping this jobless problem at all. The government cannot meet the three per cent efficiency dividend and the Treasurer is asking for a \$1.2 billion advance, which is unprecedented, while the government is still announcing non-strategic projects and giving out money to local government. I am not talking about the announcement made yesterday; I am talking about money to invest in the regions that is untied and has no strategic management. There is a huge amount of money in the royalties for regions program that could be utilised for constructing training opportunities and for sitting down and talking to businesses to see what they need. It is not as though the government is short of money; it is just short of management of money.

The government needs to stop observing and being a spectator, as I said, and seize control of the problem. What I mean by that is the government should not throw its hands up in the air, but look for genuine opportunities. We have a huge amount of talent in Western Australia. We have some of the best tertiary education institutions, and some of the best business leaders are now located in Western Australia, all of whom, I am sure, have ideas about how we could reduce these job losses. Certainly, they are the people who know what the greatest risks are and they could try to delay job losses and identify the areas at risk and help the government to prioritise. The government needs to tap into that resource and work out a strategic plan for moving forward on that issue. The government then has to wisely invest the money it has to put together those plans. Anyhow, it may cost a bit of money. We know that the government can directly sit down with companies, and that is probably one of the first things it needs to do. It needs to sit down specifically for in-depth talks about this issue and to talk about whether companies need some sort of relief, whether it be through payroll tax, deferral of royalty payments or renegotiating their agreement acts—whatever the government needs to do to make sure that we do not lose more jobs.

The other thing the government must do is to strategically look at the jobs that it wants to retain both in the public service and within the private sector. What we have learnt from past recessions and past downturns is that we lose the specific skills that we need to retain to help us recover quickly afterwards. One example that was brought to my attention in the last downturn was the loss of a heap of geologists. The trouble with geologists, I am advised, is that once we lose them, we lose their particular skill set because they go off into teaching and other fields of research.

Hon Barbara Scott: Michael Chaney is one of them; he is a geologist.

Hon JON FORD: There we go; a case in point. Michael Chaney would be a great Western Australian who could be utilised for advice on this particular problem.

I understand the government is trying to cut down through its three per cent cuts in public service and that it is trying to cut down on its recurrent spending, which is a good thing even though it does not seem to manage that at all. However, the government needs to identify those people in the public service who can help the government manage this problem and manage the recovery and whom the government is fair dinkum about keeping, because they will be up for grabs during this time. We know that they are the people who, given a chance, will walk because they will get a redundancy package and they are quite employable. They will either come back to work for the government as consultants at twice the price or go into the private sector. Therefore, the government needs to identify those people and retain them and get them to be part of the solution. Part of the solution is to have a strategic plan for government agencies on how they can effect recovery, best retain skills and also identify the skills shortfall that we must address. If the government can identify the skills needed for the recovery, it can build an effective education and training program. It is no good to simply train people for training’s sake; the government has to be strategic about those jobs. However, we have heard none of that from this government to date. I think it was last night that the Premier, in response to the BankWest job losses, talked about how many jobs BankWest would still retain, which is not very good for the people who have lost their jobs and who do not care about the people who are still employed. We care—that is important—but we need to do something about the people whom we have lost.

Hon Norman Moore interjected.

Hon JON FORD: If the minister actually put his head —

Hon Norman Moore interjected.

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Peter Collier; Hon Matt Benson-
Lidholm; Hon Wendy Duncan

Hon JON FORD: I am not talking about that and the minister knows it. If the government actually had a plan, it would have plenty of time to put the —

Hon Ljiljanna Ravlich: You do not have a plan or anything!

Hon JON FORD: The government does not have a plan.

Hon Norman Moore interjected.

Hon JON FORD: Members opposite are in government—the minister is particularly the worst! The minister is the worst of all the government commentators.

Hon Norman Moore: Will you tell me what you would do about BankWest?

Hon JON FORD: All of what I have said today is applicable to that.

Hon Norman Moore: Just tell us your point of view in respect to the BankWest employees? Will you employ them? Should we take over the bank?

Hon JON FORD: The minister cannot tell me that he did not know that was on the cards. He cannot tell me that he did not have an inkling that they were people —

Hon Norman Moore: No, but just tell me what should happen.

Hon JON FORD: The government must have known; therefore, it must have been able to put some sort of strategic plan in place in either retraining or matching up job skills to other skill sets. The government cannot simply sit on its backside and say, “We cannot do anything about it.”

Hon Ken Travers: Have they even met with the managing director of BankWest?

Hon JON FORD: Would anybody on this side sit in this place and say, “We can’t do anything about the jobs?”

Hon Ljiljanna Ravlich: Well, at least we would have a go!

Hon JON FORD: I think that is exactly what the member would do!

If members opposite actually got off their backsides and did their jobs—they are the government—even if they were not successful in 50 per cent of the cases, the people of Western Australia would be able to say that at least the government is having a go and at least it is trying.

Hon Simon O’Brien: The people at BankWest were glad to see us; they never saw any of your lot!

Hon JON FORD: All I hear from the government is, “Gee, it’s bad; it is a global recession and we cannot do anything about it. I wish somebody would have a good idea.” Stop being a spectator, be proactive and fix the problem.

HON NORMAN MOORE (Mining and Pastoral — Minister for Mines and Petroleum) [3.57 pm]: The rhetoric of the last speaker when he said the government should get off its backside and do something reminded me of a situation that happened to Western Australia just before the state election, when a company that wanted to spend \$25 billion in Western Australia and create thousands of jobs went to Darwin. Why did it go to Darwin? Because the last government could not get off its backside; it could not make a decision. The previous government could not make a decision about where that plant was to be located. That is a demonstration of what we have inherited. The previous government was so carried away with its own rhetoric and spin that it believed everything it told itself. The previous government kept telling everybody that we have too much business in Western Australia. My predecessor told his department not to bother getting any more projects for Western Australia because we already have enough; we cannot cope with them.

This state has an approval process that is an abomination condemned by the Auditor General and every commentator around the place as being useless, incompetent and almost impossible to get through. There are projects, Hon Mr Ford, that have been waiting three years to get environmental approval. A project worth \$3 billion in the mid-west has been waiting for three years to get an approval—three years! For three years the previous government left it unresolved. The whole of the mid-west iron ore industry waited and waited and waited for the previous government to do something about it. Now we have an economic crisis on our hands that —

Hon Kim Chance: That is just not true and you know that!

Hon NORMAN MOORE: Well, I —

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

Hon Kim Chance: How many of those companies had proven reserves? One! One company had proven reserves.

Hon NORMAN MOORE: I have only 10 minutes, but I would love to debate this for 10 hours with the member because —

Hon Ljiljanna Ravlich: Well, do not worry, we will!

Hon Ken Travers: Seeing as you are Leader of the House, we will extend the time!

Hon NORMAN MOORE: Okay, that is good, if you like.

Hon Ljiljanna Ravlich: We'll bring it on!

Hon NORMAN MOORE: Let us look at the situation the government has inherited. The economic crisis began almost on the day the government came to power. It seems that Hon Jon Ford thinks the government should perhaps employ BankWest workers, or that it should bail out BHP Billiton. What is he talking about? The bottom line is this: the government's job is to find new jobs, create new investment, and get the approvals process working so that people who want to do things in Western Australia can actually do them. I will give members a few examples of what the government is doing and what is going to happen—things that sat around waiting for the previous government to do something about.

I have already talked about the way in which the previous government sat on its backside with regard to Inpex; it did nothing and could not reach a decision. I have talked about the Gindalbie Metals Ltd project, which was held up for three years. What has the government done? A decision has been made about the Oakajee port. That will go ahead; it is a \$4 billion project. The previous government sat on its backside with regard to the Kimberley gas precinct for many years, unable to make a decision. A decision has now been made on that. With a bit of luck, there will also be a development at Derby —

Several members interjected.

The PRESIDENT: Order, members! I know that some members want to contribute to the debate. They will get the opportunity in due course. There is no point in members giving their speeches by way of interjection.

Hon NORMAN MOORE: There is also the Ord River stage 2. How long did Hon Kim Chance sit on his backside with regard to that? That is going ahead; \$220 million will be spent on Ord River stage 2. A number of projects have been waiting for someone to give them the go-ahead, including the CITIC Pacific Mining project in the Pilbara—a massive iron ore project that waited for the previous government to do something about; it will be a \$5 billion project. There is the urea plant at Collie, for which the previous government could not find any land. Now there is land, and the government is looking at a very significant \$3 billion project in the south west to manufacture urea for export to India. The previous government sat around and could not find land for that project. I do not know what the previous government did when it was in power; it sat there, collected the money and spent it by expanding the public service beyond recognition, hoping like hell that the economy would look after itself. The moment the economy was confronted with a global crisis, all the bad planning of the previous government came home to roost.

What else has the government done by way of policy decisions? We made a decision to mine uranium. That will create jobs, although not the sort of jobs the opposition wants. According to the Labor Party, one cannot have a job in Western Australia mining uranium. One can have a job doing other things, but not mining uranium. I tell members that there are plenty of employees in South Australia and the Northern Territory who are very comfortable mining uranium and quite happy to have their jobs.

The government has made a significant number of commitments on housing. A lot of housing will be built as a result of early decisions the government made in that sector to assist an area of obviously significant employment in Western Australia. The previous government was instrumental in making the deal for the Square Kilometre Array project to happen. The current government is upping the ante, because we discovered when we came to power that there was not much pressure being applied to make that project happen.

Several members interjected.

Hon NORMAN MOORE: Members opposite should go and talk to the decision-makers about it.

Several members interjected.

The PRESIDENT: Members, could we have a bit of order. Those members who persist in interjecting will not get the call.

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

Hon NORMAN MOORE: The Treasurer recently went to South Africa and discovered that just not enough pressure is being applied by Australia for that project. It is a very good project and I congratulate the previous government for starting it.

The government will also very soon announce in detail an exploration incentive scheme. That will provide \$80 million to the resource sector; I might add that some of our political opponents have said that it will be a waste of money. It will employ the geologists that Hon Jon Ford referred to; it will employ people who work for drilling companies; and it will give us a chance to better understand the geology of Western Australia. That money will go into fundamental research into the state's resources potential down the track. That is a decision made under the royalties for regions program, which will get money into regional Western Australia. It is a pity that Hon Jon Ford thinks that royalties for regions money should be spent on training in the city. That is why the National Party's royalties for regions policy rang such a big bell in the bush: people saw what the previous government did with the vast quantities of money it had during the boom—it spent it in the city, and members opposite still want to do that. That money is now going into the bush. The money will go to local authorities and to regional infrastructure projects, and will create jobs. It is a very significant boost to regional Western Australia. If the Labor Party does not like it, it should say so.

There is further good news, although I know that the opposition does not like good news. The exploration incentive scheme will result in the discovery of some very significant ore bodies east of Kalgoorlie, in the area around the South Australian-Northern Territory border. This is geology that is buried under countless millennia of sand and other weathered rock. The Tropicana gold deposit was recently discovered and it could become another Golden Mile; it is a very significant potential resource. Recently I was at the opening of Forrester Mining Corporation's new nickel concentrator for western areas—a brand-new \$250 million project. Why is that happening? It is happening because Forrester has a niche market, it is making it work and it is employing people —

Hon Ken Travers: When did that project start, if it was opened the other day?

Hon Kim Chance: During our government.

Several members interjected.

The PRESIDENT: Members, I have made a note of who has been interjecting.

Hon NORMAN MOORE: It seems to me that the Labor Party believes that state governments have it within their capacity to employ people who are made unemployed by economic circumstances; that the Western Australian state government has sufficient revenue to bail out BHP Billiton Ravensthorpe; that the state government should somehow take over the Hismelt plant; and that the state government should somehow save BankWest, because it is not able to employ people. What is Hon Jon Ford actually saying? When he criticised me on an earlier occasion, I offered him the opportunity, through the media, to give me some ideas. I am happy to listen to good ideas. All he has come up with is a suggestion to train more people. He knows and I know that training is a brilliant thing, but how long does it take to train people? It takes a very long time—almost as long as it takes to get a mining approval through the system created by the previous government. That is what happens. I would have been very pleased if Hon Jon Ford had today suggested five things that the government has the capacity to do and which would make some difference, but he did not. He did not because he knows that the state government cannot print money, as the federal government does. He knows that the state government has to look at its bottom line, and that it cannot send the state into the sort of debt that the last Liberal government inherited in 1993—the vast debt that the Labor Party created during the Lawrence, Burke and Dowding governments. It was a huge debt, and the last Liberal government went a long way towards getting rid of it. The Labor Party is now saying that we should resurrect that debt. Is that what it is saying? What is it saying?

I will respond to a couple of other matters that were raised in respect of the three per cent cuts. I read in the newspaper about public servants being dragged before an upper house committee to give evidence, and to tell the committee about what they are thinking of doing. If the opposition wants to know about the three per cent efficiency dividend, it should wait until the budget comes down; it will know then where it is coming from.

Hon Ken Travers: You'd better tell your bureaucrats!

Hon NORMAN MOORE: Unlike during the previous government, the bureaucrats will do what they are required to do by the government.

HON LJILJANNA RAVLICH (East Metropolitan) [4.07 pm]: I put on record how saddened I am by the Minister for Mines and Petroleum's lack of reality. He is clearly of the view that he is doing great things for this state, but he fails to realise that thousands upon thousands of people have lost their jobs. There are probably tens of thousands of children whose parents have been impacted by job losses. The thousands of people who have lost

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljana Ravlich; Hon Peter Collier; Hon Matt Benson-
Lidholm; Hon Wendy Duncan

their jobs may have only a limited amount of money, and have outstanding bills, mortgages to pay, and need to buy things for their children, because children want to have the things that everyone else has. The member opposite has no idea about the impact of job losses on individuals; the sense of having done something wrong, of helplessness, and of not knowing where to turn. He has no idea about the impact of job losses on families.

The minister has outlined what he believes to be achievements by his government. However, the only thing I hear from the minister is how he is going to ride roughshod over everybody, as is the case in the development of the LNG precinct. The minister's Premier has put on record that he will negotiate with the Indigenous people but that if he cannot achieve his desired outcome by negotiation, he will, of course, resume the land. That is how this government will do business. The minister has also set up a committee. The minister says that one way in which he can proceed to make the mining approvals process more efficient is by bypassing the Minister for Environment. We know what this minister is about.

I want to put on the record my concern about the attitude of government members in that they believe they do not have to accept there is a problem, about which, clearly, they do not wish to do anything. Let us look at the closures and the consequential impact on people of losing their jobs. The Premier knew about the Hismelt plant closure weeks before it happened, he knew that 100 people were going to lose their jobs, and yet he did nothing. The Premier put on record that he knew at least three or four weeks ago about the 250 BankWest jobs to be lost, and he did nothing. If we look at the history of the Hopetoun and Ravensthorpe situation, it was quite clear that the Premier had been advised a few months before the closure of that mine and he knew the operation was in trouble, yet he did absolutely nothing about it. On 25 November, BHP Billiton wrote down \$3.2 billion on the value of its Ravensthorpe and Yabulu nickel operation and withdrew its bid to buy Rio Tinto, citing global economic uncertainty and falling nickel prices. If the Premier of this state had no idea about the potential consequences of this announcement, he was clearly very out of touch. The simple fact is that we have a Premier and cabinet ministers who accept no responsibility for the state's economic position. In my view, and that of all the commentators, this situation will get worse before it gets better. We need a government that will take action. We need ministers who recognise the problem. We need ministers who will be proactive. The Leader of the Opposition today quite rightly outlined a plan for the future. I noticed that the Minister for Commerce, Hon Troy Buswell, made a mockery of that plan. He thought it was really funny, and, quite clearly, he saw no need for such a plan. He thought it was a bit of a funny exercise and tried to make a bit of a joke of it. However, the honourable member in the other place needs to recognise that not everything is a laughing matter.

Labor has a plan to protect jobs. Before I touch on that plan, I want to make one point; namely, that the government's lack of any strategic direction to deal with these issues is very concerning. When I look at the ministers I shadow—Mr Buswell in the other place, who is the minister responsible for small business; my parliamentary colleague Hon Peter Collier, the Minister for Training; and the Minister for Education and Tourism—I see not one ounce of recognition of the serious situation on our hands. Hon Peter Collier announced the other day that he had a training plan. He stood in this place and crowed about 74 000 new training places, but this plan was totally unfunded. No part of that plan was funded. Quite frankly, the minister should not waste our time. There is no point the government saying it will do these wonderful things when there is no state or commonwealth funding for the program. I say to the minister: unless you have the money, you have not got a plan, sport! It is as simple as that! If he cannot fund it, he does not have it. He has been caught out! It is everywhere. I sought but could not get clarification, yet here it is stated in black and white —

The release of the State Training Plan is subject to Treasury budget approval and final negotiations with the Federal Government on the National Partnership Agreement ...

And so on and so forth. There is no plan.

Quite frankly, one could think the Minister for Tourism is out with the fairies. She has put out a number of media releases since becoming the Minister for Tourism about "Record Entries for Ironman Western Australia Triathlon", "Golf stars swing into Perth", "Western Australians encouraged to holiday at home"—that I would agree with—"WA showcases its excellence in tourism", "Top surfers head to Margaret River", "All roads lead to South-West events", and so forth. She even mentions sculptures at Cottesloe. Does the minister really think that is the main game? Does anybody here think that that is the main game? Thousands of people are losing their jobs in the hospitality industry, the tourism industry, the small business sector, and all the tourism minister is interested in is promoting some local events. Quite frankly, that is not the main game. This minister needs to recognise that there is a big problem out there and that people need help, assistance and direction. This minister is not providing that.

The same applies to the minister for small business. The small business sector is hurting. I have been in this place on a number of occasions outlining my concerns for the small business sector in which hundreds if not thousands of small businesses are either closing or are projected to close because they cannot see a way forward

through the global economic crisis. Nevertheless, we have heard nothing about the assistance the minister for small business intends to provide to small business operators who may well be in trouble or who may well be heading towards hitting the bankruptcy wall. That is not good enough. The government cannot say it will leave it because the uranium industry will fix the problem. The government cannot say it is the responsibility of people to find their own job or that the opposition is out of touch and should leave the government to its own devices. Quite frankly, we are in a very, very dire situation that will not get better, but will get far worse. We need to see some action from this government.

HON PETER COLLIER (North Metropolitan — Minister for Training) [4.18 pm]: At the outset, I say that I do not support the urgency motion, and that, as far as my portfolio is concerned, it is manifestly inaccurate; it really is. I am very conscious that a number of families throughout Western Australia are suffering terribly as a result of this economic downturn. As of the moment, more than 900 apprentices have been stood down. I am very conscious of the impact that is having on those people, particularly those young people. The statistical evidence shows that more often than not, in a number of these instances, many people will not go back to their apprenticeship when the economic circumstances change. I am very conscious of the situation; I really am. I am also conscious that almost half the cohort of the last 15 years are a generation of unskilled workers who now find themselves with nothing. They have been laid-off and have no skills whatsoever. In last Wednesday's *The West Australian*, the example of a 30-year-old man was documented. He has been living the high life from working in the north on \$150 000 a year, and now he finds himself unemployed with two children. That man is representative of those I am talking about. He represents those people who have taken the easy option for the last decade and who now find themselves unemployed. As Minister for Training I have to ensure that the department provides avenues to assist those affected people so that they are not placed in that situation again and that it also provides opportunities for them to acquire skills and to look at an apprenticeship or traineeship as a viable, alternative career pathway. I can assure Hon Ljiljanna Ravlich that this stuff about not doing anything is so blatantly inaccurate and wrong that I have to say I think she has a problem with reality. I do not know how many times I have to say that the skills plan—I am not going to carry on about the skills plan today—is totally dependent on funding models from the state and federal governments. That is where we are.

This urgency motion will enable me to highlight what the government is doing to cope with the people within our community who are really suffering as a direct result of the economic downturn. I am conscious of that, Hon John Ford. I met with the managing directors of TAFE colleges specifically with regard to this issue 10 weeks ago. I asked them what they could do as public training providers to assist the people most in need. This is above and beyond the wonderful work that they do in normal circumstances. I asked them as public training providers what they could do to assist those people who find themselves unemployed and unskilled, or who are perhaps apprentices who have been stood down. The response was fantastic; it really was. They were unanimously supportive of the whole notion of providing an action plan to assist those people.

I outlined this plan in a ministerial statement early in March, about three weeks ago. One of the biggest issues was enrolment intransigence. Funding models were previously based on inflexibility between employment-based traineeships and institution-based traineeships. There had to be a certain number of apprentices and trainees, and under the old model it was simply tough if there were not enough apprentices because the number of placements could not be transferred over to traineeships. Effectively, we had places that we could not possibly fill. What we did was change the funding formula, and this should have been done long ago. I spoke with the Treasurer, who agreed to change the funding formula. The TAFE colleges are now over the moon. It means that if they do not have sufficient apprentices, they can increase the uptake in traineeships. It is great; it is what TAFEs have wanted.

We have a massive spike in the number of trainee enrolments in TAFE colleges this year. That is wonderful. We have found that even those people who have operated under an employment-based formula may up-skill in another area until they can move back to their apprenticeship. That is a proactive move on the part of the Department of Education and Training that has assisted those people most in need. To say nothing has been done is nonsense.

Also, collectively, we came up with the idea of having a series of information seminars across the state.

Hon Ljiljanna Ravlich: That's a new idea!

Hon PETER COLLIER: It is wonderful. I am sorry to hear Hon Ljiljanna Ravlich's cynicism, because it is a wonderful initiative.

I was at the CY O'Connor TAFE on Saturday. John Scott, the managing director of CY O'Connor TAFE, has already held a seminar with the Chamber of Commerce and Industry of Western Australia in Northam. It was terrific. The response from business was great. They wanted to know how to get on board to assist those people

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

most in need. That is what it is all about. The only way this can work is by having a collective approach; it cannot be effective in isolation. That is working particularly well.

A coordinated approach for recognition of prior learning throughout our TAFE colleges is now in place on all TAFE campuses. It is working. People can go to our TAFE campuses and find a very logical, definitive response in terms of the best skill requirements for themselves: where they might like to go or how they can improve themselves. It is a very proactive approach.

Hon Ljiljanna Ravlich interjected.

Hon PETER COLLIER: I am sorry, Hon Ljiljanna Ravlich, I just do not have time to respond.

The action plan referred to an enhanced careers advisory capability through stronger links with employment and job agency networks. That is a one-stop shop for careers advice and has been very well received. This action plan is working. I am absolutely delighted and really proud of the work done by all 10 TAFEs to assist those people most in need.

I appreciate what Hon John Ford said, but it is not an accurate reflection of the training area. I am referring to a number of people, not only those in the younger demographic, who are generally more affected because they will be laid off as apprentices or as new employees, but also mature aged people. I would like those people to come back to our TAFE colleges to see this plethora of different opportunities for them to up-skill. I want to provide a raft of new pathways for them to take so that they are not pushed into a corner and pigeonholed into a career that they might not like. This is a great opportunity for people to up-skill.

As well as that, the department has been proactive in assisting those companies that are suffering. I will not go through the whole list as I simply do not have time, but I have worked collaboratively with the department and the TAFEs to find a way to assist those companies that are laying off workers. I will give Hon John Ford a few examples of how the department is being proactive. Carrier Air Conditioning laid off 150 workers in Bentley. The department held a series of workshops and information sessions on the employer's premises for affected workers and provided individual career guidance as required. Australian Allwood Coppicing and Pruning Services in Albany laid off eight trainees. Ken Clark, the apprenticeship officer in Albany, is providing assistance to all affected trainees and referrals to the employment directions network. When Harvey Beef laid off 160 contract workers, the EDN worked collaboratively with the TAFE, the telecentre, registered training organisations and Centrelink to provide a one-stop shop event on 20 March 2009 to provide displaced workers with training information, career guidance and other support information; 14 affected workers attended the event, five of whom attended a follow-up workshop. Twenty workers from the Island Cafe in Rockingham who were affected were offered training information and the department conducted a forum to include service organisations such as TAFEWA, the apprentice centre and the local EDN. It provided the same facilities to Fletchers Abattoir in Albany. At Rio Tinto's Hismelt facility in Kwinana 150 workers were suspended on full pay, and the department went straight in and offered training information and career advice, and conducted a forum that included service organisations such as TAFEWA. In the mid-west 23 employees of Iluka Resources were affected. The Department of Education and Training made contact with Iluka through the mid-west EDN. When the news about Bankwest came out—I made a point of this, Hon John Ford—I specifically asked what the department had done. The department advised that it had straightaway contacted Bankwest. It is awaiting contact with the human resources manager to confirm Bankwest's requirements.

I can say that the government and the department have been proactive. The government has provided these innovative solutions to the situation. I am very cognisant of the stresses and the strains that the community is under, particularly those young people who saw their future in an apprenticeship and all of a sudden they have been laid off. The government will assist those people. The government can work collaboratively through these forums so that when people are laid off in a particular apprenticeship, it can perhaps find an opening for them in another area or, as a result of flexibility in enrolment, it has ensured that they can up-skill in a traineeship. The government is being proactive and is cognisant of the number of workers who have been laid off in a vast array of industries. On each and every such occasion, the department has been involved pronto.

HON MATT BENSON-LIDHOLM (South West) [4.28 pm]: I thank Hon John Ford for the opportunity to comment on his urgency motion. I am pleased to be able to speak on the motion. One does not have to be a Keynesian economist—or any other such person, for that matter—to understand the gravity of the economic situation in Australia today, and indeed the situation faced by the current state government. This is obviously the most serious economic downturn, recession-cum-depression since the 1930s; everybody knows that. However, that is not the point of the urgency motion. The point of the urgency motion is the contention that the government is basically asleep at the wheel.

When we look at the nature of the jobs that have been lost, it does not take a Rhodes scholar to figure out that jobs in the mining industry and in areas such as tourism and the beef and timber industries are disappearing. The

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljanna Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

point that has to be made is that governments need to be more proactive. There is no better example than the Ravensthorpe-Hopetoun situation, which we all know about.

Hon Ljiljanna Ravlich pointed out that back in November the writing was on the wall. When the writing is on the wall to the tune of some \$2.3 billion, ministers and their departments need to be more proactive. When the government is not proactive, it ends up with the type of absurd situation that prevailed down there whereby the government decided in its infinite wisdom and knowledge that the best way out of the predicament was to build a road through the Fitzgerald River National Park. What arrant nonsense that is. The country in that part of the world is world-heritage quality, and the government's solution to the people's problems was to build a road through it.

Hon Helen Morton interjected.

Hon MATT BENSON-LIDHOLM: The road will take years to build, and the member knows it.

Hon Norman Moore: Are you opposed to it?

Hon MATT BENSON-LIDHOLM: I am not opposed to it. What I am interested in is a more —

Hon Norman Moore: Yes or no?

Hon MATT BENSON-LIDHOLM: I am answering the member. I am interested in a more immediate approach. The government's approach, which is to build a road through the national park, is almost like saying that it would build a canal, and we all know where that ended up. Building a road through a pristine national park is not the solution to the immediate problems of that area. Members should go down there and have a look. The school at Hopetoun is magnificent. Nowadays there are plenty of rooms in which to hold a meeting. Members should look at it one day. At the beginning of the year it had in excess of 200 students. I am reliably informed that by the end of this term the figure will more than likely be fewer than 50 students. I understand full well that governments face difficulties in times of recessions and depressions. However, if we give up like they perhaps did in the 1930s, the recession-cum-depression will be with us for another four or five years, and we cannot afford that. Governments must adopt a sense of urgency to make sure that plans are put in place so that the people survive in that type of environment.

I am a representative of regional Western Australia. A couple of months ago when I went to Margaret River—Hon Barry House's neck of the woods—employers could not get workers. However, today there is massive unemployment in those places, where tourism should be the solution to the long-term problems. These are the sorts of things that Hon Jon Ford is seeking to have members opposite understand. The government must be more proactive and talk to communities. In November 2008 it was fairly obvious that the BHP Billiton Ltd operation at Ravensthorpe was experiencing significant problems and the situation was almost at the point of no return. I asked then where the minister for small business was. It is the small businesses and the little people who always get hurt. It is a bit like the Pacific Brands issue. The directors will not suffer. They will take away millions of dollars worth of golden handshakes and they will be fine when the business operations go overseas, but what about the people on the ground who helped establish and build those industries? They will be forgotten about. I put it to members that it was more than likely that the minister for small business—the Treasurer—either was not in the state or was taking a break. He should have been right there right then. He must talk to people. It is necessary to almost pre-empt these types of events. When the writing is on the wall and the price of nickel plummets, members and ministers opposite need to sit down with their departments and work out a strategic plan. They must liaise with businesses to come up with a workable solution. The Minister for Agriculture and Food went to Harvey to listen to the people when it was too late. Ministers should listen to the people before they have been sacked. The same may well apply to the Bankwest employees.

I commend Hon Jon Ford for moving this urgency motion. So many issues stem from this motion that we could, as has been pointed out, literally speak on it for hours. A good example of that in regional and rural remote WA is the axing of the State Supply Commission. What good will that do for the regional and remote Western Australians whom I and all other members from the bush represent?

Hon Barry House: It has not been axed; it is coming under the Treasury department.

Hon MATT BENSON-LIDHOLM: Sort of. It is like Treasury officials trying to help the Commissioner of Police establish how he will come up with his three per cent efficiency dividend. It is not going to happen, let us be honest about it, and there are many other projects in Western Australia to which that will apply. The situation will get worse. The government must act on its 100-day plan. Look at the promises that it made. Members would not want to be holding their breath.

Hon Ljiljanna Ravlich: I nearly died the other day!

Hon Norman Moore: It is a shame you didn't!

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljana Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

Hon MATT BENSON-LIDHOLM: That is very unkind.

When we were in government, members opposite used to refer to taxation reform. Where is the government's taxation reform agenda to help businesses employ more people? All the government seems to be doing is rebadging.

Hon Norman Moore interjected.

Hon MATT BENSON-LIDHOLM: Look at what Labor managed to achieve over the previous eight years.

Hon Norman Moore: You had more money coming into the coffers of the state and you blew it. That is why you are over there and not here. You blew the good times and left us to look after the bad times.

Hon MATT BENSON-LIDHOLM: The money was spent wisely, and the Leader of the House knows it.

We are waiting for the government to come good on its 100-day promises. I daresay it has been about 180 days by now.

Hon Kim Chance: They left off a naught.

Hon MATT BENSON-LIDHOLM: I am sorry! If this government were serious about it, it would have implemented much more of its 100-day plan. For example, pensioners in the bush are still waiting for their fuel cards, if I am not mistaken. In these difficult times, the value of pensioners' superannuation and share portfolios has declined, and self-funded superannuants in particular are suffering. What is the government doing about it? Not a heck of a lot as far as I can see. We are still waiting on the government to issue the fuel card. People need to travel to Perth to access health services. What is happening about that? Very little.

Hon Barry House: The patient assisted travel scheme has been significantly improved.

Hon MATT BENSON-LIDHOLM: I take Hon Barry House's point; he is spot-on in that regard. I acknowledge that, and probably not before time. It is a good move. I certainly agree with the member.

This urgency motion is all about being proactive. The government needs to be more proactive.

HON WENDY DUNCAN (Agricultural — Parliamentary Secretary) [4.38 pm]: I welcome this urgency motion because it gives me an opportunity to outline exactly what the government is doing to assist with the creation of jobs and deal with job losses in Western Australia. There is no doubt that jobs are being lost, and we are very concerned about that. This government is spending money to create jobs rather than drawing up plans and putting together audits and task forces. How many jobs would they create?

As the Leader of the House mentioned, this government has already launched the \$4 million Oakajee port project, and the James Price Point liquefied natural gas hub negotiations are about to be finalised. The government has also committed to contributing \$316 million towards building 1 000 new houses by making the most of the available federal government funding. We are also partnering with the commonwealth government to deliver record investment in social housing and schools, building new hospitals in Albany and Kalgoorlie and upgrading Nickol Bay Hospital and the Derby prison.

Hon Jon Ford commented that the local government funding under the royalties for regions plan would be better spent constructing training plans and talking to businesses about what they need. I am not too sure of the number of jobs that would create, but I know that giving \$100 million a year to local governments in Western Australia will create considerably more jobs, and jobs for people who have lost their jobs, than the jobs that would be created by sitting down and talking to businesses about what they need.

When I was out in the electorate last week, I had the experience of talking to a fellow from Ravensthorpe who came to me and said how delighted he was that the Shire of Ravensthorpe had decided to put \$250 000 towards an upgrade of the recreation centre. That upgrade will not happen without people being provided with work to create it. Hon Jon Ford worried about what would happen to geologists in the downturn in the resources sector, but, as the Leader of the House mentioned, this government will commit \$80 million towards an exploration incentive scheme, which will provide drilling companies with incentives to look for new resources. That will create jobs not only for drilling companies, a lot of which are parked in Kalgoorlie, but also for geologists who are losing their jobs.

The royalties for regions plan is very timely for Western Australia considering the economic circumstances in which we find ourselves. In fact, the International Monetary Fund was quoted in *The West Australian* on 7 March, 2009 on the current economic circumstances. It stated that we should —

spend even more to protect the Australian economy from the global recession—but it should be on infrastructure rather than cash handouts.

Extract from *Hansard*
[COUNCIL - Tuesday, 31 March 2009]
p2247a-2256a

President; Hon Jon Ford; Hon Norman Moore; Hon Ljiljana Ravlich; Hon Peter Collier; Hon Matt Benson-Lidholm; Hon Wendy Duncan

In response to Hon Matt Benson-Lidholm's comments about the proposals for tax reform, the International Monetary Fund found that cash payments to low and middle-income families failed in reviving the economy, and it stated —

tax cuts delivered little more than half the impact to the economy of “lump sum” payments ...

Motion lapsed, pursuant to standing orders.