

**NORTH WEST GAS DEVELOPMENT (WOODSIDE) AGREEMENT AMENDMENT BILL 2019**

*Matter of Public Interest*

**THE SPEAKER (Mr P.B. Watson)** informed the Assembly that he was in receipt within the prescribed time of a letter from the member for Warren–Blackwood seeking to debate a matter of public interest.

[In compliance with standing orders, at least five members rose in their places.]

**MR D.T. REDMAN (Warren–Blackwood)** [3.06 pm]: I move —

That this house calls on the McGowan government to have community development plans and local participation plans in the North West Gas Development (Woodside) Agreement Amendment Bill 2019 to be laid before each house of Parliament.

This issue is very important. It goes to the integrity of the current government and how, over time in Western Australia, successive governments have taken the time to amend our state agreements to make them contemporary, and to how society sits in Western Australia right now. The history of state agreements shows that they have been amended, renegotiated, and, at different points in time, whether it be iron ore bills, iron ore state agreements or some of the other state agreements around the state, have had very valid changes to reflect where the community is at. We have also seen statements recently from some fairly significant people in the resource sector, such as BHP chief executive Andrew Mackenzie. I quote from the Thursday, 10 October 2019 *Kalgoorlie Miner* —

BHP says big miners' profits will not survive if they simply pay lip service to the social and environmental toll of resource extraction, with the "social value" of a business decision increasingly important to a company's long-term future.

Even leaders in the resource sector recognise that a social licence needs to be managed with their activities in Western Australia. I do not think anyone in this house would disagree with that.

We had a pretty significant debate last Thursday during the consideration in detail stage of the bill that is before the Assembly right now. Before I go there, I want to go back to a bill that I referred to in my question to the Premier on the Railway (Roy Hill Infrastructure Pty Ltd) Agreement Bill 2010. It was put up by the then minister, and the Premier, when he was in opposition, moved an amendment to that state agreement bill. I was somewhat lectured last Thursday by the Minister for Mines and Petroleum, who made the point that we do not amend state agreement bills because there is a convention in this place, that both sides accept, that it is negotiated by the government with these particular companies and then it simply comes in here for ratification. We can interrogate one of those bills, but by tradition and convention we do not amend it. That is the position that I took up. We did not move an amendment. We debated the legislation and we raised the issues, but we did not move an amendment. We went back and did some research and found that the Premier has sought to amend a state agreement with a mining company. What he said was interesting. I will read out the amendment he moved at the consideration in detail stage —

Page 3, line 11 — To delete the line and substitute —

- (2) Subject to subsection (3), the implementation of the Agreement is authorised.
- (3) That, notwithstanding anything contained within the Agreement, the proponent Roy Hill Infrastructure Pty Ltd will submit to the Minister a Local Participation Plan which the Minister shall, within 6 months after the date of assent of this Act, cause to be laid before each House of Parliament.

The first point of significance is that the Premier sought to amend a state agreement. A minister of the day told me that that was against the convention of this place, but the Premier did that. The second thing is that there is a whole piece here about what a local participation plan is. It is pretty reflective of what is in the bill before us, the North West Gas Development (Woodside) Agreement Amendment Bill 2019, because the companies are required to do two components—a local participation plan and a community development plan. There is one difference. In 2010, the Premier sought to amend the bill so that the state agreement had to be tabled in both houses of Parliament. I appreciate when we negotiate with a company, we want to keep a level of flexibility around what sorts of plans it comes up with. The Premier's amendment was about a local participation plan. In the case of the bill we debated last week—we are now on to the third reading—it is about a local participation plan and a community development plan. I can understand that. The government purports to be transparent and it pushed a platform of transparency at the last election. The greatest level of transparency should be to make public those documents, a position that the Premier, when in opposition, sought for a state agreement bill. I asked the Premier a question today and he said that he thought the Premier of the day made a good argument and he backed up. It is another backflip from this government. I will not wear that position, because the Premier took it up in opposition. It is a simple issue. It is not a high threshold to chase down having those agreements tabled in Parliament.

Interestingly, the local participation plan in the now Premier's amendment had six points on what it would contain, including: a clear statement; detailed information on procurement practices; detailed information on businesses

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being introduced to the procurement officers that support that, detailed information on how local suppliers will be given the same opportunity as others in the supply chain; detailed information on the expected percentage of local content in those construction projects; and details of communication strategies. It was a pretty detailed effort from the then opposition, but when I quizzed the Premier hard last week in government, we got a pretty soft response and the softest response came in response to the question today. This massively flies in the face of a government that purports to be transparent and supporting the community. What better level of support is there for something fundamental to those communities, which the Premier has driven through this agreement, than a local participation plan and a community development plan being tabled in both houses? Make it public.

Let us look at what happened in the debate last week. The bill is before the Legislative Assembly. It is in the third reading stage and will go to the other place and be debated once it has moved through its current agenda. The bill has the two components of a local participation plan and a community development plan. When quizzing the Premier on this issue, we found out that there is no mandated requirement for the company to engage with the community to have a community development plan. The company could simply draft a plan and take it to the minister. There is no government signatory to that outcome. No-one from government signs off and says that either the local participation plan or the community development plan is okay. It is not a public document. The best it could come up with was annual reporting, but annual reporting against what? What are the companies saying that they will do before they report on what they did? It is annual reporting when no-one knows the level of requirement.

This matter goes to the government's level of transparency. It made a pitch in the 2017 election. It is not a big threshold. It is not hard to say that the companies must table these agreements. What is the cost of that? Today the Premier can commit to negotiating with the joint venture partners when it gets to the Legislative Council and say that all he is looking for is to not change what is in this bill but have the final agreement tabled so that the community can see it. Those who are endeavouring to participate in the outcomes of these companies' investments could see it. When we have some reporting against that, we would have a chance to have some measurable outcomes. I think that is not a big threshold. It is not hard for the Premier to take up this issue, go to the companies and say what the government is looking for. The amendment could be made in the other place. The bill could be passed there and brought back here through a message to the Assembly saying what the Council has agreed on and that it wants to change the agreement. The Premier can do that. According to his minister, I cannot do that, but the community would value that outcome.

It is also interesting that when that amendment was sought by the now Premier back in 2010, the house divided and nine of his current ministers voted for that particular amendment. He has a cabinet now with nine of his current ministers who supported the amendment that he put up when he was in opposition. Part of that was to seek to have those plans tabled in both houses. That is not a big threshold. In my view, the Premier could commit to doing that and have it passed to come back into the Assembly and I think he would get a pretty positive community response to that. We recognise that these are significant projects. The Nationals are not against the miners and the people who want to chase oil and gas and invest in this state. We support that. We have supported this bill and we will continue to support this bill in the other place. But we have to put the community back into community development plans and put local businesses back into local participation plans. That is the bit that is absent from the government's position. I will tell members who else is absent from this debate. That is the member for Pilbara.

The member for Pilbara read out his speech last week, which I am pretty sure someone else wrote for him. He is remarkably silent on this issue. He should be shouting from the rooftops and asking what the hell we are doing to support our local community. What is he doing to support his local community? A community development plan will have benefits for our community, but it does not even get to see it. It does not get to participate in it and say whether it is a good or bad thing and when it is reported on, there is nothing to report against. What is the member for Pilbara doing to ensure that he is coming in behind what the now Premier moved in 2010 to amend a previous state agreement against the advice of a current minister who says we should not be doing that, supported by nine of their ministers? It is not a big threshold for him to say that the government supports the position. This is not a big ask. We are simply asking for transparency from a government, which is espousing to be transparent, in negotiating outcomes for these companies. We know that happens at different points in time and it is right to happen because the leaders in the big companies are saying that social licence is now on the agenda. A really easy way to support this is through transparency so that people can see what they are negotiating. Nothing is happening at the local level from the member for Pilbara. He is silent on this issue. His silence on this issue is deafening. He should have heard the debate last Thursday and said, "What the hell is going on here?" When in opposition the member for Pilbara's government took up this position, but it is not happening now. This is not a big threshold for the Premier. He can sort this out by making changes in the other place. He can talk to the companies and if those companies do not come to the party and table it so that we can see it, what do they have to hide? I do not think this is a big threshold. This motion could have one of two results; either the government supports it and says that it will try to do that, or hypocrisy will abound and the

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government will go back on the position that this Premier and nine of his ministers took up when they were in opposition. That is not good enough. This is trying to put the community back in community development plans.

**MRS L.M. HARVEY (Scarborough — Leader of the Opposition)** [3.19 pm]: I rise on behalf of the opposition to contribute to this matter of public importance, which we support, with our partners in opposition, the Nationals WA. I note that some of the Premier's previous comments are now starting to catch up with him. The position that the Premier is now taking on the proposal that the National Party has brought to this chamber reeks of hypocrisy. As members in opposition, we fear that if this legislation to amend the North West Shelf agreement is passed, we will find ourselves in the same position as we were when the Western Australian Jobs Bill 2017 came through this place. Members on this side will remember that the WA jobs bill was designed by the Premier and the Labor government, purportedly, to secure more contracts and employment for Western Australian companies. We know that when that legislation came to this place, we found that "local" for the purpose of that legislation meant every state in Australia and New Zealand. The Premier's rhetoric in the community was that he was standing for Western Australian jobs and small companies and businesses; in actual fact, he was standing up for every single company in Toowoomba, Sydney, Auckland, Christchurch, Hobart and Melbourne. Under this legislation, any company in Australia or New Zealand has the same access as Western Australian companies to government tendering projects. In fact, the legislation has the effectiveness of being slapped with a wet lettuce leaf, because it does not in any way, shape or form compel the government to deliberately procure work from Western Australian companies.

Now we find ourselves with this new amending legislation that the Premier has brought forward. The Premier says that he is now taking the same position to require the tabling of community development and local participation plans as that taken by the former Premier, Hon Colin Barnett. However, when he was in opposition, the Premier himself stood in this place and said that he thought it was a good idea for community development and local participation plans to be tabled as part of the agreement. The Premier's excuse for this is that we have an existing project. The project is already operating. Why, then, is there a requirement to amend the legislation to introduce parameters for community development and local participation plans? It makes no sense to bring amending legislation to this place to define what community development and local participation plans should contain, and then to say in the same breath, "We don't need to have a requirement for those plans to be tabled in Parliament because the projects are already existing." Why amend the legislation to define them?

All we are asking from the Premier here today is to have the same standards of transparency and accountability that he demanded of the former government and that he said he would bring to Western Australia when he became Premier. That is all we are asking.

During the consideration in detail of the North West Gas Development (Woodside) Agreement Amendment Bill 2019, the Premier stated —

Companies are required to report to the government on local content. In my experience, those reports are generally made public, as we saw today with the South Flank ...

But the Premier is asserting by bringing this legislation to this place that there is a requirement to tighten up what is required of these companies with community development and local participation plans. All we are asking is for the government to actually put some teeth into it: require the plans to be tabled so that every member in this Parliament can rate these companies on how they perform against the tabled participation plans that would be available in this place. That is all we are asking of the Premier—exactly what he demanded of the former government. It was okay when he was the opposition leader. Now that he is the Premier and has the power to do this, he refuses to do it, and he needs to explain why.

**MS M.J. DAVIES (Central Wheatbelt — Leader of the Nationals WA)** [3.23 pm]: I rise to support this motion. I start by saying that the government should not be afraid to agree with this motion, because we know that it has stood in this place before and argued for exactly what we are arguing for now. We invite the government to set aside the political argument that is no doubt about to become part of this debate, and actually look back and reflect on the comments that it made in 2010 when it was arguing so vehemently for exactly these documents to be tabled. It is not an unreasonable ask, it is not an outlandish ask, and it is not over-the-top. I think it is very, very sensible. The transparency and accountability that we are asking for goes to the heart of the commitments that the government made running into the election, when it talked about this rolled-gold transparency that it would bring to government. I remind the Premier of his own comments. This was reported in *The West Australian* on 17 September back in 2018; this government had not been in power for very long, and there were already headlines that it was failing on its commitment to be transparent. The Premier said —

"We will strengthen governance, accountability and transparency across government," ...

"We will govern only in the interests of all Western Australians."

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The debate we bring to the house today would allow it to achieve that exact outcome. It would allow us to demonstrate that when we debate very important state agreements that have implications for everyone in this community, because that resource is owned by everyone in the community, we can demonstrate as a government and as Parliament that we have done our job in making sure that there is ongoing benefit for the community of jobs and the social and economic infrastructure that comes along with these jobs.

In the next line of that article, the writer, Gary Adshead, states —

He loves talking the talk, but evidence is emerging that he is not walking the walk.

That is exactly what it will look like if the government stands up and says that it is not going to support this motion today. We are only asking that the work being done to develop these community development plans and local participation plans—we agree with this and we supported the legislation, so there can be no argument that we are trying to put the kibosh on this project or any other that we see delivering significant numbers of jobs for the state—be known so that the community can understand and judge, and that we as a Parliament can evaluate what these plans will deliver. As Members who have spoken previously have outlined, this is not inconsistent with the position that has been taken previously.

To be fair, when we were talking about the Roy Hill state agreement back in 2010, a majority of the comments made by the then Leader of the Opposition were in relation to the local participation plan, not in relation to the community development plans. But in the spirit of openness and accountability, we believe both of them should be treated the same.

I would like to go back and look at this commentary. In fact, the amendment that was discussed in detail was far stronger than the legislation that this government brought for our consideration. The amendment moved was very specific in relation to local participation plans. It seems to have lost some of that, and between the Premier's being in opposition and being in government, we have ended up with a slightly more wishy-washy outcome in this legislation.

The Premier made these comments back on 7 September 2010 —

There is a growing sense that we can achieve more from the mining industry.

...

The company will exploit at least one billion tonnes of Western Australia's iron ore resource. The price of iron ore has doubled recently; it is a very lucrative business. Companies are making a lot of money out of it. Is it too much to ask companies to produce a local participation plan up-front, along the same lines as the one suggested in my amendment?

The members for Gosnells, Cockburn and Cannington also spoke on the Roy Hill state agreement. The member for Cannington made an interesting contribution to the debate last week. He made the point to the member for Warren-Blackwood that, by convention, we do not amend state agreements. His own leader actually sought to do that, and then he spoke to that legislation in 2010. He made the point that Australia's approach to massive non-renewable resource projects has meant that we have not been getting full value from them. He spoke at length that we should potentially change our focus to extract greater value down the supply chain for Western Australia. He seems to have moved away from the downstream processing argument that Sir Charles Court made back in the day and has moved towards trying to find opportunities for job creation. I would have thought that this would be right up the Minister for Mines and Petroleum's alley—that he would be very open and accountable about the types of jobs being created and what was being delivered into the economy, as he puts it, moving away from the argument of downstream processing, which we have not been able to realise here in Western Australia. From my perspective, I think the most interesting contribution was from the now Deputy Premier, the member for Kwinana, who made a contribution and went into some detail about the Hebron project. Members might not be particularly familiar with this project because it is located offshore from the Newfoundland and Labrador province in the north east of Canada. It is a massive oil and gas project.

The member for Kwinana, the now Deputy Premier, spoke of the benefits of the Hebron agreement struck between the lead partner, Chevron, and the other companies involved in that project and the two provinces. The companies that are operating in our jurisdiction are used to doing these kinds of deals and are used to this kind of transparency in other jurisdictions. The member for Kwinana talked about the very specific terms of the benefits that would be delivered from the project. Obviously, it was public, because the member for Kwinana, the Deputy Prime Minister—sorry; I gave the Deputy Premier an elevation then! The Deputy Premier had access to this information. He stood in Parliament and talked about the very specific terms of this deal struck by the two provinces in Canada. Obviously, there are no issues for Chevron, as one of the participants, in having that information publicly known. Other jurisdictions are doing that. We do not think that what we in this place are asking for is unreasonable; in fact, it is done in other jurisdictions. They are big projects.

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I might add that this was only in 2008. This was not struck back in the 1960s, 1970s or even the 1980s. This was in 2008. These companies are used to adhering to the requirements of the jurisdiction in which they operate. They will make sure that they adhere to the requirements here, so that they can continue to operate and develop the resources that belong to the state of Western Australia and Australia.

The Deputy Premier concluded his contribution by saying —

It is simply saying that the public would like to see a report from the proponent on the sort of local content that is likely to be accrued or the opportunities that are likely to be accrued from this project. It is a modest but rather useful amendment.

We are all in furious agreement at this point—whether we are in opposition or in government—that it is useful to the Parliament and the community to make these documents public and to table them in Parliament.

The member went on to speak about social licences. The quote was a bit of a cracker. This is something that the National Party has been quite strong on in government and also in opposition. We have continued to argue that there is a unique role for government when it negotiates on behalf of the people of Western Australia. It is a regulator and it is also trying to drive and attract investment in these long-term and very significant projects. Walking that fine line is difficult, and we understand that. We get criticised for asking the same questions and raising the same points that have been raised by the now government when it was in opposition. It galls me slightly when we are put into a box that suggests that we are critical of, or potentially opposed to, the mining industry and the oil and gas sector, when we are actually doing no more than what every member in this place has done at one point or another. On 7 September, the member for Kwinana talked about social licence in the debate on the Roy Hill agreement. He said —

It is called a social licence to operate. This is business 101 and it is something that our government should be familiarising the large proponents of this state with. The opportunity to exploit Western Australia's resources comes with more than a simple obligation to provide royalties and meet the legal requirements associated with the development. It comes with a responsibility to the broader community, which we often articulate as issues such as the environment, Aboriginal employment and, increasingly, opportunities to boost local content.

I could not say it any better. All we are asking for is that the information that will be contained in the local participation plan and the community development plan that will be developed as part of this state agreement be tabled so that everybody can understand what is supposed to be delivered. The Premier should not be afraid to do this. He should not be afraid to agree with this motion. We think it is sensible. There is no overreach. In fact, it is his own argument and that of many of his own ministers. We encourage him to support this motion and to consider moving the amendments himself.

**MR V.A. CATANIA (North West Central)** [3.33 pm]: The chickens are coming home to roost, are they not? This is about the hypocrisy of the Premier. The Premier says one thing in opposition and does another thing in government. The community participation plan is nothing but a motherhood statement. It is community participation without the participation of the community! There is hypocrisy in that alone! This clearly shows the lack of commitment by the Labor Party, which is meant to look after workers and their families and the people of the Pilbara. Where has the Labor Party gone? There is silence over there. The member for Pilbara now knows about the benefits of the royalties for regions investment. It covered for the lack of a community development plan by the companies. The royalties for regions program picked up that baton and ran. Royalties for regions investment ensured that there was a new hospital, schools, day care facilities and land. Over \$1 billion of royalties for regions investment occurred in Karratha because there was a lack of community participation by those very companies.

The Nationals WA are not anti-resources. We want to make sure that the communities of regional Western Australia—the communities of the Pilbara—are liveable, workable and family friendly to ensure that they can attract and retain people. That is why the community participation plans should be open and transparent. They should be tabled in Parliament so that they can be benchmarked and the people who were elected to represent Western Australian communities have the opportunity to scrutinise the level of commitment of these companies. At the end of the day, they are our resources and we have a right to oversee these companies and make sure that they are doing what is right.

In 2008, people could not do anything in Karratha; there was nothing to do. There were complaints. Royalties for regions investment took up the community development side and allowed Karratha to be redeveloped into the city that it is today. This government is holding Karratha up and saying, "Everybody come and have a look." The only way to continue that growth and to attract and retain people is to make sure that companies have a community participation plan that the community participates in, and to have Parliament scrutinise it and make sure that these companies are doing what is right for the community in those towns. Here is the Premier's opportunity. Do not be a hypocrite. That is the problem. Everyone is starting to see who the Premier really is. We know who he is.

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*Withdrawal of Remark*

**The SPEAKER:** Member, you will withdraw the “hypocrite” remark, please.

**Mr V.A. CATANIA:** I withdraw, but we all know that he says one thing in opposition and does another in government.

**The SPEAKER:** Member, you will withdraw without that comment.

**Mr V.A. Catania:** I did.

**The SPEAKER:** No, you did not; you kept going. Just withdraw, please.

**Mr V.A. CATANIA:** I withdraw.

On a point of order, Mr Speaker, I withdrew and I was continuing on with my speech. I do not know what you are talking about.

**The SPEAKER:** I call you to order for the second time, member for North West Central.

*Debate Resumed*

**MR M. McGOWAN (Rockingham — Minister for State Development, Jobs and Trade)** [3.37 pm]: The government will not agree to the matter of public interest moved by the National Party and supported by the Leader of the Opposition and the Liberal Party. We will not support it for a range of reasons. It is interesting that the National Party has searched *Hansard* for what I may have said 10 years ago as a young man! It is true that I moved some amendments to a greenfields bill in relation to the Roy Hill project to ensure that there was some additional local participation. I recall that the Liberals and the Nationals voted against them. Members opposite are alleging that there has been hypocrisy. Look in the mirror.

**Mr D.T. Redman:** Here’s your chance to fix it.

**Mr M. McGOWAN:** No. Look in the mirror. The member voted against it when he was a senior minister in the then government and, subsequently, when he became Leader of the National Party, he voted against it. That was the position. Earlier, I outlined to the member the position as it was explained to me by the then Premier, Colin Barnett. The point I want to make now is that this is a negotiated agreement with Woodside. It is designed to give us our best chance of getting Browse gas onshore to the North West Shelf. It is a negotiated agreement with one of Western Australia’s premier companies; it is probably one of the top two companies based locally in Western Australia. The National Party and the Liberal Party want to unilaterally amend that agreement in this house via this motion. That is the position that the Liberal Party is now adopting.

**Mr D.T. Redman** interjected.

**The SPEAKER:** Member for Warren–Blackwood, you were heard in silence.

**Mr M. McGOWAN:** When the former government had numerous state agreements before this house during its eight and a half years in office, it did not do what it is now saying should be done. The National Party—the great enemy of the mining and oil and gas industries in Western Australia—did not move a single amendment. It did not say boo when it was in government. It is disturbing that the Liberal Party is now joining with the National Party. The tail is wagging the dog in conservative politics in Western Australia. We saw the tail wag the dog in the last government. What happened? Debt levels rose to \$40 billion. We witnessed the worst budgetary processes of anywhere in Australia. Treasury was very relieved when proper budgetary processes were introduced in Western Australia. We now have a government that is sensible with public money. There were two budget processes. Former ministers in the last government told me how disastrous it was. There was a National Party budget process and a Liberal Party budget process. The tail wagged the dog. Now the tail is wagging the dog again. As the Leader of the Opposition said, the National Party and the Liberal Party are partners in opposition and I assume that they will be partners in government again, which is interesting because the National Party made a commitment to spend \$1.7 billion the other day. These commitments will all have to be added up over the next 18 months. I do not want Western Australia to go back to the disastrous management of the state that occurred before. That is the reality when the Liberals and Nationals join forces in this alliance arrangement; all their promises—whatever thought bubbles come out—go onto the public balance sheet. That is what will happen if they are elected under the arrangements that existed last time, which appears to be what will occur again.

Although this government has the state back on track, with unemployment levels going down, employment going up and our public finances under control, the opposition will just blow it all again if it is re-elected. That is the reality of the arrangement. The Leader of the Opposition made a commitment of \$700 million the other day, and we saw a \$1.7 billion commitment by the National Party. They are all adding up already. There is still 18 months to go. That is \$2.4 billion right there. There are a range of others.

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As I outlined to the house the other day, the bill will ensure that we have our best chance of getting Browse gas onshore. Members may have heard my comments on Thursday. It is about ensuring that we join with the federal government to get the partners to align so that the gas comes onshore. It is complex to understand but essentially the situation is that the North West Shelf joint venture partners are different from the Browse partners because they misaligned after the James Price Point fiasco. Two of the partners jumped out after James Price Point. Now there is a misalignment, so different interests are in play. We are trying to ensure that we pass the legislation. We join in pressuring all the partners to bring the gas onshore in Karratha, where it should be brought. All this criticism that the opposition engages in sends messages to international investors —

**Mr D.T. Redman** interjected.

**Mr M. McGOWAN:** The member's commentary is constantly anti-investment in the state.

**Mr D.T. Redman** interjected.

**The SPEAKER:** Member for Warren–Blackwood, you were heard in silence. Have the same respect for the Premier when he is talking.

**Mr M. McGOWAN:** When state agreement acts have been negotiated and legislation has come before the house over recent years, we have seen these community development plans or local participation plans. They happened under the last government and they are happening under ours. Their purpose is to formalise reporting to government of the sorts of local participation and community development that is made available by the proponents of these projects. When it comes to Woodside, there was no requirement for these plans under the existing act, so it is being inserted. It is not the case that Woodside has provided no community development or local participation—quite the contrary. A range of projects, particularly in Karratha, have been constructed by Woodside. It has spent hundreds of millions of dollars on community participation projects during the time it has been involved in Karratha. Whether it is the Karratha Leisureplex, early childhood centres, youth facilities, medical facilities or the like, Woodside has provided enormous community development contributions in Karratha.

When it comes to local participation, we worked with Woodside to set up the local jobs portal because we were concerned about people graduating from high school in Karratha and missing out on opportunities to work at Woodside. The local jobs portal is about making sure that jobs are advertised locally. The member for Pilbara and I launched that in conjunction with Woodside recently. Many jobs are advertised on that portal. Indeed, other companies have joined it. I know that it does not get much attention, but local participation and making sure that companies provide local job opportunities is a model for the world. Whether it is in the areas of health, apprenticeships, community facilities or the like, Woodside has provided a great deal of that sort of thing, which is essentially local participation and community development in Karratha. That would not have occurred without the existence of these plans under the act. We are putting these plans into the act. We have negotiated in exactly the same way as was done with other companies. We find that with other companies such as Rio, BHP and the like, similar requirements were put into state agreements under the last government, and similar arrangements exist. These companies report back and then all sorts of information is released in annual reports, local press releases, annual local content reports and the like. Lots of information is released.

I am not prepared to change a state agreement with Woodside in the manner that has been proposed by the Liberal and National Parties. Negotiations occurred and an agreement was reached. Government officers will have a conversation with Woodside about whether it would be interested in releasing those reports, because that would be contrary to the agreement. However, if it were agreeable to that, that would occur. I am not prepared to unilaterally change the state agreement in the house because of the attitude of the Liberals and Nationals on these matters.

I repeat: the position that the government is adopting is the same as that adopted by the previous government. When this issue was raised 10 years ago, the Liberal Party rejected it. In its subsequent seven years of office, it never required the release of these reports. It was only when it came to opposition that it started to say these things. The big issue, which all members opposite seem to have missed and do not seem to understand, is about getting the gas onshore. It is about ensuring that we get the Browse participants, who are not North West Shelf joint venture participants, to agree to bring the gas onshore. I outlined the publicly released figures relating to the Browse development the other day. The development will cost around \$30 billion and will create thousands of jobs. That is the development that we are trying to progress. That is the one that we are focused on. The jobs portal, the royalties contained in the Torosa field and the domestic gas supply will be great for Western Australia for the next 50 to 100 years. It will be great for us. It is low-emission energy, certainly compared with other energy sources. That is what we are trying to secure. In the meantime, the Liberals and Nationals come out with all this negative noise. It should be joining with us, as we joined with the federal government, to try to resolve this issue. It should not be making all this negative noise and having this cacophony around the place, showing all sorts of hostility.

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The member for Pilbara, the Minister for Mines and Petroleum and I are working to try to get this project up because it will create jobs for the member for Pilbara—it will create jobs for all of us—it will create royalty income for the state, which this government will invest wisely, and it will ensure there is an ongoing domestic gas supply, which is essential to put down the pipeline. That is the main game. That is the big issue here and the one we are most focused on, but we will not agree to this quite irresponsible motion of the Nationals WA and the Liberal Party.

**MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum)** [3.49 pm]: I am shocked that the Liberal Party is supporting this motion. I thought this would be one of those occasions on which the Nationals WA would be voting by themselves. It is inconceivable that the once great Liberal Party will vote against a state agreement. It is bizarre that the Liberal Party has abandoned its history by supporting this. I want members of the Liberal Party to think about what they are doing. Words are important, Liberal Party. Liberal Party members cannot come in here and say that a negotiated agreement is not important. If it is their position, members can say that this agreement is inadequate. There is nothing wrong with putting their position on the record if that is what they want to say, but for members of the Liberal Party to vote to undermine the very foundation of state agreements is outrageous.

I agreed with the member for Warren–Blackwood when he pointed out that the other day I made the point that it is not that Parliament does not have the power to amend a state agreement; it is that it chooses not to use that power. If we look at each of the occasions on which we have dealt with state agreements going back to the 1960s and all the debates that occurred, we will see that the Liberal Party always supported those agreements. Today, that has ended. We are all used to the National Party going off on these irrelevant frolics. When they were in government, its members did not do any of the things they claimed. I remind the member for Warren–Blackwood about Kurra village. He spoke out against it many times and said they could not have it, but he supported it when it mattered and signed the lease for it. We are all used to the loose lips of the National Party. It attacked the mining industry in the state when it wanted to impose billions of dollars of taxation on the iron ore industry. We remember those things, but we always thought that the Liberal Party would stand in favour of state development.

If they want to, members opposite can say that they would not have made this agreement. That is fair enough. If they do not agree with securing the long-term supply of gas for this state for the next 50 years, they should say that in public; they should say that they are opposed to this breakthrough agreement that completely changes the nature of the gas supply industry in this state. Members should understand what we are doing through this agreement. We are creating a midstream gas processing facility that is not directly owned by the owners of the lease of the production licence. This is a breakthrough moment in Western Australia's energy development process. This will secure long-term domestic gas for Western Australian industry. Unlike the east coast, which has completely failed to properly manage its gas supply or energy system, we will have plenty of gas for domestic industry. In fact, gas will be available for new industry that locates in Western Australia. This is a breakthrough moment. Do members know what else it does? It secures the long-term future of the community of Karratha because it will allow for the continued operation of the North West Shelf gas plant. If that were shuttered, it would be a disaster for people in Karratha. Remember, most of the people who work at the North West Shelf gas plant live in Karratha. Most of the people who work there are not fly in, fly out workers. That is what people do not get. These workers live in houses in Karratha and have their kids in school in Karratha. The National Party's view is that we should shut down the whole system and not care about it; that is why it is a tragedy. We have had this debate about three or four times during this term of government. The Nationals just do not get how important this is. The bizarre thing that is happening today is that the Liberal Party is joining the National Party in undermining state agreements in Western Australia.

The Liberal Party says that these reports should be made public. Let us not forget that these reports would never have even existed until now. The joint venture partners will finally be reporting to government on their activities so that, for the first time ever, the government can hold them to account. Members opposite say they want to see those reports. They had plenty of opportunity—eight and a half years in government—to negotiate a new outcome. Members opposite should not forget that this agreement was amended during their term in government. They amended this very agreement, and I do not remember them voting against it or moving an amendment to even ask for these reports, much less for the reports to be public. We have written off the National Party because it does not care about state development or jobs in regional Western Australia. We understand that and have always understood that, but the Liberal Party has abandoned its history today. That is a disgrace. I particularly address the member for Nedlands. The idea that he will vote in favour of a unilateral amendment to a state agreement is the end of his capacity to speak —

**Mr W.R. Marmion:** There's no amendment.

**Mr W.J. JOHNSTON:** It calls on the McGowan government to have community development plans and local participation plans in the North West Gas Development (Woodside) Agreement Amendment Bill 2019 to be laid before each house of Parliament. The member for Nedlands is asking for a unilateral change to the terms of the



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agreement. That is a bizarre decision for a person who pretends to be interested in state development and regulatory certainty. Remember, Western Australia has been the single largest destination in the world for foreign investment over the last 20 years because of our regulatory stability. I think 30 per cent of all Chevron's investment and 20 per cent of Shell's investment is here in Western Australia. That is because we provide regulatory certainty. A deal is a deal. When the government of Western Australia enters into an agreement, industry knows that it will stand by that agreement. It is not to say that we agree with everything industry does, because that is clearly not the case. The point is that industry gets regulatory certainty.

Members should remember that the great advantage of this is that we will get access to the domestic gas that is potentially coming onshore. Let us not forget that the plan of members opposite nearly drove this gas—the Browse gas—to floating LNG. That was proposed because of the mess they made of this project. This has been no easy task. Senator Hon Matt Canavan and I talk regularly about this project because it is not easy to get it done. This is a complicated project involving a lot of different joint venture partners, each of whom has its own financial and business interests. It is a credit to the Premier that he has been able to get this agreement to a stage at which we have been able to ratify it. It is a credit to the Premier that he has been able to get to the cusp of the investment decisions for these two giant projects—Scarborough and Browse. When these two gas projects are complete and gas is flowing through Pluto and the North West Shelf, that will secure Western Australia's energy supply system for the next 30 or 40 years and set us up for the transition from natural gas to other energy sources. This is something that we should be celebrating. Members should not be getting in the way and trying to score cheap political points. As I say, we expect it of the National Party. The tragedy today is that the Liberal Party has abandoned its history and any interest in state development. Its members prefer to be friends with the National Party than friends of jobs in Western Australia.

*Division*

Question put and a division taken with the following result —

Ayes (17)

Mr I.C. Blayney  
Mr V.A. Catania  
Ms M.J. Davies  
Mrs L.M. Harvey  
Dr D.J. Honey

Mr P.A. Katsambanis  
Mr Z.R.F. Kirkup  
Mr A. Krsticevic  
Mr S.K. L'Estrange  
Mr W.R. Marmion

Mr J.E. McGrath  
Ms L. Mettam  
Dr M.D. Nahan  
Mr D.C. Nalder  
Mr D.T. Redman

Mr P.J. Rundle  
Mrs A.K. Hayden (*Teller*)

Noes (35)

Ms L.L. Baker  
Dr A.D. Buti  
Mr J.N. Carey  
Mrs R.M.J. Clarke  
Mr R.H. Cook  
Ms J. Farrer  
Mr M.J. Folkard  
Ms J.M. Freeman  
Ms E.L. Hamilton

Mr T.J. Healy  
Mr M. Hughes  
Mr W.J. Johnston  
Mr D.J. Kelly  
Mr F.M. Logan  
Mr M. McGowan  
Ms S.F. McGurk  
Mr K.J.J. Michel  
Mr S.A. Millman

Mr Y. Mubarakai  
Mrs L.M. O'Malley  
Mr S.J. Price  
Mr D.T. Punch  
Mr J.R. Quigley  
Ms M.M. Quirk  
Mrs M.H. Roberts  
Ms C.M. Rowe  
Ms R. Saffioti

Ms J.J. Shaw  
Mrs J.M.C. Stojkovski  
Mr C.J. Tallentire  
Mr D.A. Templeman  
Mr P.C. Tinley  
Mr R.R. Whitby  
Ms S.E. Winton  
Mr D.R. Michael (*Teller*)

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Pairs

Mr R.S. Love  
Mr K.M. O'Donnell

Mr B.S. Wyatt  
Mr M.P. Murray

Question thus negatived.