

**PREMIER MARK MCGOWAN — STATE ECONOMY**

*Standing Orders Suspension — Motion*

**MR D.C. NALDER (Bateman)** [12.20 pm] — without notice: I move —

That so much of standing orders be suspended as is necessary to enable the following motion to be debated forthwith —

That this house condemns Premier Mark McGowan for his mismanagement of the economy, resulting in a jobs crisis, the highest unemployment rate in the country and the highest number of unemployed Western Australians on record.

*Standing Orders Suspension — Amendment to Motion*

**MR D.A. TEMPLEMAN (Mandurah — Leader of the House)** [12.21 pm]: I move —

To insert after “forthwith” —

, subject to the debate being limited to 10 minutes for government members and 10 minutes for non-government members.

Amendment put and passed.

*Standing Orders Suspension — Motion, as Amended*

**The ACTING SPEAKER (Ms L. Mettam)**: Members, as this is a motion without notice to suspend standing orders, it will need the support of an absolute majority for it to proceed. If I hear a dissentient voice, I will be required to divide the Assembly.

Question put and passed with an absolute majority.

*Motion*

**MR D.C. NALDER (Bateman)** [12.22 pm]: I move the motion.

The Premier needs to explain to the public why Western Australia’s unemployment figures are the worst in the nation under his Labor government. Figures released today show that Western Australia’s unemployment rate soared to 8.1 per cent in May compared with 7.1 per cent nationally. This is an economic disaster. The Premier needs to explain to the people of Western Australia why unemployment figures are the worst in Australia when he claims that he has managed the COVID-19 pandemic better than any other state in the nation. A total of 30 000 Western Australians joined the unemployment queue in May. It was up 33 per cent in the month of May. Yesterday the Premier was spruiking that Western Australia was multiple times in front of other states, yet we have the highest percentage of unemployment in Australia. There are now 112 000 unemployed people in the state. We have the highest number of people unemployed in the state’s history. That is a 33 per cent increase in the number of people who have become unemployed in one month. This is at a time when the federal government is providing relief through JobKeeper payments. This figure does not include the people who are protected by JobKeeper payments. If it did, the underlying rate would be much worse.

We are worse off than any other state in Australia. Our unemployment rate is 8.1 per cent while the average across Australia is 7.1 per cent. WA has a jobs crisis. This government wants to stick its head in the sand and say, “Don’t look here. Look at these relief measures that were undertaken.” These relief measures are either transactional or completely smoke and mirrors. Apparently, they will last for a while and benefit Western Australian industries for a short period but the government has no underlying economic plan. It has no plan for sustainable jobs growth for Western Australia. The government is relying on industry to do it itself. The federal government has been underwriting this state while the state government of Western Australia sits on its hands. It wants to spruik how fantastic it is doing while it presides over the worst unemployment rate in Western Australia’s history. It might want to say that is a result of the coronavirus pandemic and it is not its fault. The Premier claims that he is managing the pandemic better than any other state in Western Australia. He has a hubris arrogance about how well he is managing the coronavirus pandemic yet we now have the highest unemployment rate in Australia.

Several members interjected.

*Point of Order*

**Mr Z.R.F. KIRKUP**: Madam Acting Speaker, the member for Cannington continues to interject. I ask you to bring him to order.

*Debate Resumed*

Mr Dean Nalder; Mr David Templeman; Acting Speaker; Mrs Liza Harvey; Ms Mia Davies; Mr Mark McGowan; Mr Ben Wyatt

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**Mr D.C. NALDER:** I remind the government that the underlying economic issues that are confronting Western Australia were prevalent before the coronavirus pandemic. The government is presiding over a record number of households that are suffering mortgage stress. Ninety thousand households were experiencing stress when the Labor Party came to government. That figure rose to 152 000 at the end of January.

Several members interjected.

*Point of Order*

**Mrs L.M. HARVEY:** Madam Acting Speaker, the government has given us a paltry 10 minutes to put our case around the highest unemployment figures ever in Western Australia. The member for Cannington, the minister, needs to stop interjecting and wasting our time.

**The ACTING SPEAKER (Ms L. Mettam):** Are you taking interjections?

**Mr D.C. Nalder:** I am not taking interjections.

**The ACTING SPEAKER:** Member for Cannington, please stop interjecting.

*Debate Resumed*

**Mr D.C. NALDER:** A total of 152 000 households were suffering mortgage stress in January, up 67 per cent from when the Labor Party came to government. Over 184 000 households are now not meeting their monthly bills. The government is saying that it is doing a great job while people are struggling. A clearly defined jobs plan from this government is missing, not a few relief measures that support certain industries or parts of industries for a short period. The people of Western Australia deserve to understand what the plan is out of coronavirus that will sustain jobs going forward. We are not hearing that. We are getting mixed messages from this government. The government used national health standards when determining how many students could attend school camps, saying that only a certain number were allowed. When it looks at the state borders, all of a sudden it does not look at national health advice but it takes its own advice. This inconsistency is hurting. We need a jobs plan. We need a clear path forward from the Premier and we need it now.

**MRS L.M. HARVEY (Scarborough — Leader of the Opposition) [12.27 pm]:** The opposition does not deny that there has been a health crisis in this country. Now we have an economic and jobs crisis. The Premier needs to explain why the unemployment rate in Western Australia, with our resources sector doing so well, is 8.1 per cent, the highest in the nation. The Premier needs to explain why there are 30 000 fewer jobs this month compared with last month. The Premier needs to explain why Western Australia is doing worse than every other state, with 28 000 more people unemployed now versus last month when over 112 000 people were unemployed. We lost 95 000 jobs in this state over the last two months. These figures do not include those people on JobKeeper payments. All those businesses in a cashflow crisis are surviving on JobKeeper. When JobKeeper comes to an end, where will these figures be unless this Premier takes positive action towards a stimulus that is meaningful and accessible to businesses that need it, not like the failed tourism stimulus that rules out a vast majority of businesses from even applying for it? What lifeline will the government throw them?

I want to draw the Premier's attention to the youth unemployment rate of 16.3 per cent, or 32 300 people. These are my children. These are my nieces and nephews.

**Ms A. Sanderson:** You put TAFE fees up 500 per cent!

**Mrs L.M. HARVEY:** Why don't you be relevant?

I draw members' attention to a speech made by our Prime Minister, Scott Morrison. He said that certain figures were taken into account before national cabinet came up with its three-step plan to reopen the economy. He also said that states like WA need to take note, particularly given that WA was the state with the highest jump in unemployment. He stated —

Every state government, every territory government, the Federal Government, every local government, all of us must do everything we can to open up our economy and get Australians back into work. There is no surprise in that decision from me.

WA now has the worst unemployment rate in the country. The Premier needs to explain in his response why Western Australia is doing worse than every other state in the nation. That is the issue here. We expect to be on par with the nation; we do not expect to be falling behind. The reason that we are falling behind is that the Premier has not articulated a jobs plan and an economic recovery plan. He is giving no hope or optimism to all those businesses that have shut their doors and fired people because they see no future for themselves in this state. The Premier needs to explain why we are doing worse than every other state.

**MS M.J. DAVIES (Central Wheatbelt — Leader of the Nationals WA) [12.30 pm]:** I am happy to stand on behalf of the Nationals WA and add to the debate on the suspension motion. Without doubt, this government is

built on a platform of smoke and mirrors. Despite its mantra of jobs, jobs and jobs, this government has failed Western Australians. The numbers have come in today. As we emerge from this COVID-19 health crisis, the public expects and deserves a government that delivers more than just spin. The rot started early with the smoke and mirrors around the Local Projects, Local Jobs program, which was little more than a slush fund. Campaign insiders said that the program was renamed because the party's research suggested that the message about jobs resonated better. It was smoke and mirrors because it was not about jobs, it was just a slush fund. This government promised that royalties for regions would deliver jobs in our regions, but then it cut, cut, cut, with \$1.6 billion gone or repurposed, meaning that opportunities to create jobs in regional Western Australia were lost. That is a conservative estimate of what has been repurposed, not to mention the underspend delivered by the Treasurer in the latest quarterly financial report.

Where are the projects that we have lost that would have created the jobs that this Premier has been happy to talk about in media opportunities and create spin? There was a big splash but no detail, much like the FIFO plan that was announced to lure and drag people over from the eastern states. There was no plan to create jobs in the areas to sustain them. There was no plan to bring those people to Western Australia. Announcements and photo opportunities have deliberately short-changed regional Western Australia and failed to deliver major projects by underwriting. These numbers demonstrate that it is not just in regional Western Australia, but across the entire state. The Premier may think that he is doing well, but he should not mistake the public's gratitude for his management of the health crisis as an endorsement of his government's performance on jobs, particularly in regional Western Australia.

**MR M. McGOWAN (Rockingham — Premier)** [12.32 pm]: It is very true that it has been a very difficult period for many people across Australia and Western Australia. A great many people have lost their jobs. Some people have left the workforce permanently and many businesses have suffered, particularly those in the hospitality, retail and tourism sectors of Western Australia. It has been very, very bad—indeed, devastating—for them. It has been the worst economic shock to Western Australia since 1929 and the Great Depression. Clearly, the period since early mid-March when this started to really bite the state's economy has been an extremely difficult time for many people. As we made decisions to close down parts of the economy, we found that overwhelmingly businesses and people across the state did the right thing. That meant that many businesses laid off staff and closed their doors. I walked around shopping centres at which virtually all the stores were shut. Many consumers decided that they would not go out, and that was on health advice. Many elderly people in particular did not go out. They did not go shopping. They followed the advice of governments across Australia to stay home and therefore preserve their lives.

The reality is that Western Australia has had an extremely low rate of COVID-19 infections compared with other states, the eastern seaboard in particular, and especially compared with other parts of the world where there have been massive health and economic shocks. Western Australia has had a low rate of infection but obviously there has been an economic impact on our state. The truth is that the pandemic could have killed thousands of Western Australians; indeed, it could have killed many thousands of Western Australians. We are not out of the pandemic yet; that could still occur. If we look at the history of these things around the world, there is the prospect of a second wave. There is no vaccine. We have to be careful. We have to be cautious in managing what lays before us now, and I think Western Australians intuitively understand that. We have to be careful and cautious in how we emerge from what has taken place. Of course, that carefulness and cautiousness mean that we have to put arrangements in place, such as international and interstate borders. We have a lack of international students and tourists. All these things have an economic impact and I expect the economic impact will be around for years to come, in both Western Australia and Australia. But Western Australians, in particular, embraced the change and accepted the rules more readily and fully than other parts of the world and, indeed, other parts of Australia, and that means that over the March–April period and going into May, we had a very large decline in our economy.

The figures that were released today are from 3 May to 16 May, which was a month ago. We announced the phase 2 reopening of the state's economy two days before 16 May. Phase 2 involved restricting the number of people in cafes and restaurants and at swimming pools and other things to 20. They were modest changes to get the economy working again. Phase 2 started two days after these figures were compiled. A couple of weeks ago, we announced the phase 3 changes, which involved a far greater reopening of the state's economy. I have said to people—I say it constantly and I will explain it again—that the phase 3 changes allow for far more activity within Western Australia than is the case in any other state in Australia. They came in a couple of weeks ago. I think it was Monday, 8 June. Those phase 3 changes have, of course, allowed for far greater economic activity within Western Australia. Obviously as the surveys go along, the changes within the economies of each of the states will mean that the unemployment figures will change. Over coming surveys, we can expect that things will change and, hopefully, they will reflect the fact that Western Australia's economy has opened up to a far greater degree than have the economies of any other state in Australia.

The phase 2 and 3 changes are far greater and have opened up the economy more here than in any other state. We have put in place the building bonus, which I am confident will mean that far more people will keep their employment

Mr Dean Nalder; Mr David Templeman; Acting Speaker; Mrs Liza Harvey; Ms Mia Davies; Mr Mark McGowan; Mr Ben Wyatt

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in the building industry. We have also provided payroll tax relief, frozen fees and charges, reduced electricity bills for small businesses across the state, provided rental relief and waived fees and charges for business. We have a major planning reform initiative in the upper house that is designed to spur on economic activity. It cannot just be about government spend. We have to get the private economy up and working more quickly as part of this. Our phase 2 and phase 3 initiatives and planning reforms allow for that.

The reality is that every state in Australia has suffered a grievous loss of jobs. The unemployment rates in Queensland and South Australia are similar to the unemployment rate in Western Australia. These figures were compiled before our phase 2 and phase 3 initiatives were announced. We are getting the Western Australian economy up and running far more quickly.

In closing, I refer to the border arrangements. We have obviously been very cautious about reopening the state border. I note that Victoria had 21 new coronavirus cases on Tuesday and 18 new cases yesterday. The majority of those cases are from community spread. The one thing about COVID-19 is that if it comes back, the economic impact will be far more devastating. We are adopting a cautious approach of protecting our citizens whilst opening up the Western Australian economy to a far greater degree. The figures will jump around. In coming months, we will see new figures. I warn everyone that this is a long, hard road and there are no easy solutions, but governments around Australia, including this one, are doing their best to deal with this difficult situation.

**MR B.S. WYATT (Victoria Park — Treasurer)** [12.39 pm]: This is the devastating price that the Western Australian community has paid to fight the coronavirus pandemic. As the Premier pointed out, we will not sacrifice that effort by simply opening the borders too early. The Premier has been utterly consistent on that.

I think this motion highlights a couple of things. These figures are awful. Although not a surprise, they are still, nonetheless, devastating, but there is certainly light at the end of the tunnel. These figures are for the whirlwind period when we decided to close our economy. That is effectively what we had to do to fight the coronavirus.

**Mrs L.M. Harvey** interjected.

**Mr B.S. WYATT:** Wait, Leader of the Opposition. The Leader of the Opposition will learn something.

In more up-to-date data, such as payroll data up to 30 May—as the Premier said, the data the motion refers to is up to 16 May, prior to phase 2—we see that jobs were being created every week in the five weeks to 30 May, which is the best result of all the states in the nation. JobSeeker and JobKeeper create a lot of noise around the unemployment data, but if we look at aggregate hours worked, which is a very good proxy for overall economic activity, we see that Western Australia has recorded the largest increase. Again, looking at participation rates, which have been moving around vis-a-vis the other states, we see that Western Australia has the best overall job rate. There is no doubt that future figures will jump around, but no-one should be surprised about that. The Premier and I have stood in this chamber and warned members of these figures, and I expect the unemployment rate will continue to be fairly volatile over the next couple of months. If members look at the up-to-date payroll data, which, as I said, shows five weeks of consecutive job growth in Western Australia—the strongest of all the states—the largest increase in aggregate hours, and, importantly, online job listings trending up again, they will see that decisions on phase 2 are having a real and immediate impact on the Western Australian economy and jobs for Western Australians. We fully expect that to continue, but we absolutely will not threaten the great effort that Western Australians have gone to, this huge investment in jobs and wealth by lifting the border early, which the Liberal Party is demanding we do. Doing that would threaten Western Australians who have invested so much, as we can see in today's data.

*Division*

Question put and a division taken, the Acting Speaker (Ms L. Mettam) casting her vote with the ayes, with the following result —

Ayes (19)

Mr I.C. Blayney  
Mr V.A. Catania  
Ms M.J. Davies  
Mrs L.M. Harvey  
Mrs A.K. Hayden

Dr D.J. Honey  
Mr P.A. Katsambanis  
Mr Z.R.F. Kirkup  
Mr S.K. L'Estrange  
Mr R.S. Love

Mr W.R. Marmion  
Mr J.E. McGrath  
Ms L. Mettam  
Dr M.D. Nahan  
Mr D.C. Nalder

Mr K.M. O'Donnell  
Mr D.T. Redman  
Mr P.J. Rundle  
Mr A. Krsticevic (*Teller*)

**Extract from *Hansard***  
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Mr Dean Nalder; Mr David Templeman; Acting Speaker; Mrs Liza Harvey; Ms Mia Davies; Mr Mark McGowan; Mr Ben Wyatt

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Noes (31)

Ms L.L. Baker  
Dr A.D. Buti  
Mrs R.M.J. Clarke  
Mr R.H. Cook  
Ms J. Farrer  
Mr M.J. Folkard  
Ms J.M. Freeman  
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 S.A. Millman  
Mr P. Papalia

Mr S.J. Price  
Mr D.T. Punch  
Mr J.R. Quigley  
Ms M.M. Quirk  
Ms C.M. Rowe  
Ms R. Saffioti  
Ms A. Sanderson  
Ms J.J. Shaw

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

Question thus negatived.