

Mr Tom Stephens; Mr Paul Omodei; Speaker; Mr Bob Kucera; Mr Murray Cowper; Mr Dan Barron-Sullivan;
Mr Troy Buswell; Mr Tony O'Gorman; Mr John Day; Mr John D'Orazio; Mr Martin Whitely; Acting Speaker;
Ms Sue Walker; Mr Terry Waldron

PREMIER'S STATEMENT

Amendment to Motion

Resumed from an earlier stage of the sitting.

MR T.G. STEPHENS (Central Kimberley-Pilbara) [2.46 pm]: I join with other members in congratulating the new Premier and the new cabinet ministers. How great it is to have a supercharged V8 economy.

Mr M.J. Cowper: It is a shame that there is a drunk driver behind the wheel.

Mr T.G. STEPHENS: It is important, however, to make sure that nobody is left behind when the economy is growing like that. It is exciting to think that there is a chance for tax relief.

Point of Order

Mr P.D. OMODEI: Is the member speaking to the amendment, or the original motion?

The SPEAKER: I assume that the member is speaking to the amendment, because that is what is currently before the house.

Debate Resumed

Mr T.G. STEPHENS: I will, but I was not.

Withdrawal of Remark

Mr R.C. KUCERA: Before the member for Murray leaves the chamber, he should withdraw the remark he made about the Treasurer. It may have been a flippant remark, but that kind of remark also reflects on the Leader of the Opposition. The member for Murray should withdraw his comment. He knows what he said.

The SPEAKER: I cannot recall the comment, but if it was unparliamentary -
Several members interjected.

The SPEAKER: Order, members! Perhaps members have not seen that I am on my feet. If the member for Murray said something that was unparliamentary that I missed, I direct him to withdraw it. If not, he should not do so.

Mr M.J. COWPER: I do not believe it was unparliamentary.

Debate Resumed

Mr T.G. STEPHENS: I seek your guidance now, Mr Speaker. Will I lose my right to speak on the motion, having spoken to the amendment?

The SPEAKER: No.

Mr T.G. STEPHENS: In that case, I will not speak for too long on this amendment. I can see that the member for Leschenault - whose facial hair indicates that he has apparently recently given up his ambitions for a more senior role on the front bench - is very keen to speak, and I will give him that opportunity. I do not know what that says about the ambitions of the Deputy Premier, who has recently removed his facial hair. I do not know whether that has some sort of direct correlation. I suspect not.

The amendment moved by the opposition, dealing with Woodside, Kalamunda and Osborne Park hospitals, has already been accurately described by the Minister for Health as a gross act of hypocrisy. Those of us who watched closely the performance of the opposition on hospital issues in the lead-up to the last state election should be horrified that the exposed hypocrisy of those opposite is being put on display yet again in this debate. What an extraordinary team it is, that thinks it has any right to speak on the administration of hospitals in Western Australia, in the face of its record and performance, and in the face of the way in which it dealt with the campaign leading up to the most recent state election. How bizarre it was to hear at the last moment, when it was caught out, each little item of the opposition's policy eked out to defend itself, in the face of the politics of particular marginal seats, about what it would do if it had a decent policy. One of the things I took great offence to was the way the opposition dealt with the hospitals in the north west. When caught out in the absence of a policy on the major redevelopment of the Port Hedland hospital, suddenly the opposition produced a statement to augment its policy, minus the dollars necessary to deliver it. Members opposite were exposed.

Mr J.H.D. Day: It started off in May 2000. Have a look at it.

Mr T.G. STEPHENS: The funny thing about the member for Darling Range is that he does not realise that some of us have been studying the papers and watching the detail missing from those papers.

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Point of Order

Mr P.D. OMODEI: I refer to standing order 94. The amendment before the house is very specific to the Woodside, Kalamunda and Osborne Park hospitals and I have not heard the member mention those names once.

The SPEAKER: Unfortunately for the member for the Warren-Blackwood, there is no restriction on mentioning hospitals other than those listed on the amendment. The member is within the rules.

Debate Resumed

Mr T.G. STEPHENS: I was describing the hypocrisy of those opposite in bringing forward the words contained within this amendment against a backdrop of the Liberal opposition's strategies on hospitals and health. I would have thought that even the former Deputy Leader of the Opposition would have appreciated why there was nothing out of order about my contribution. It was going to be a very short contribution. It has been pointed out to me that the amendment moved is currently still before the house and has not been defeated. If those opposite want to drag it out and make it more painful for themselves, I invite them to interject again.

Missing from those budget papers was a consistent approach to health and hospitals in the lead-up to the election that delivered the Gallop team into office. The only reference to hospitals in those budget papers in the lead-up to the 2001 election was to the frail-aged facility at Port Hedland. That was not the full-blown hospital that is now referred to in the budget papers. Why is it possible for the government team to stand here with confidence and reject the amendment moved by those opposite? It is because we have embraced a comprehensive plan for dealing with the health system of Western Australia that puts facilities in strategic places, not in the politically opportune locations that members opposite might seek. These locations were strategically identified by the Reid report as necessary for an effective roll-out of health care across this state, including a hospital system that will meet not only the current needs of this state, but also its needs long into the future. I hope that the house will quickly deal with this amendment and defeat it so that I can advance some thoughts on the substantive motion that will come before the house.

MR D.F. BARRON-SULLIVAN (Leschenault) [2.53 pm]: As this is the first time I have spoken this week, I wanted to personally congratulate the new Premier but unfortunately he is not in this chamber while we are dealing with a motion that specifically refers to him. Indeed, the amendment calls on the Premier to take a specific course of action. Quite clearly, already the Premier is adopting a similar approach to his predecessor; that is, when there is bad news, he is not around. We have a classic case of that today. He did not want to be here when there was a larger audience than there is now of concerned people who wanted to hear this debate. He scuttled off as quickly as possible so that he would not be part of the debate today. It will be interesting to see whether the Premier participates in this debate, which relates specifically to an amendment calling on him to intervene in the downgrading or scrapping of services at Woodside, Kalamunda and Osborne Park hospitals. Unfortunately, I missed the opportunity to congratulate the Premier in person on his ascension to office. His absence does raise the important fact that he is not prepared to be accountable on this very important issue in this Parliament today.

I want to focus mainly on Woodside Maternity Hospital. Before focusing on Woodside, I want to mention a couple of things. The Minister for Health and the government generally would have us believe that they have some overall plan for health in this state. What we have seen, however, is not so much a plan but a number of plans that seem to surface from time to time. Bits get chopped and changed and added and taken out and so on, and we have a bit of a moveable feast. I will give a couple of examples. The minister has been going on about how wonderful Fremantle Kaleeya Hospital is and how, when Woodside is closed, the beds will be transferred to Kaleeya. I challenge the Minister for Health to show me in the bible of health reform of Western Australia - that is, the Reid report - where it was ever mentioned that the beds at Woodside hospital would be transferred to Kaleeya. I will go one step further and challenge him to find any page in the Reid report that even mentions the prospect of the state government buying the Kaleeya private hospital. It is not in there.

The government was under the pump. It had not provided enough hospital beds and it was faced with a comprehensive plan from the Liberal Party that provided for an additional 700 hospital beds and in the longer term an additional 5 000 hospital beds. The government started running around the metropolitan area trying to work out where it could clock up some hospital beds. One way it did that was by purchasing Kaleeya. The other was in relation to Galliers Private Hospital and Specialist Centre. I will not go into that because that is a saga in itself. The Reid report did say that the government should close Woodside. The intention has been that the Woodside beds would be closed and the mothers who would use Woodside would be accommodated in other beds. Obviously, the main hospital in the South Metropolitan Region under the government scheme was going

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to be the new south metropolitan tertiary hospital, now known as the Fiona Stanley hospital. In relation to Kaleeya, the current minister said in a press release dated 21 December 2004 -

The State Government has bought two private hospitals to increase bed numbers in the public health system.

He goes on to say that it purchased the 95-bed Kaleeya hospital in East Fremantle as part of that plan. There is no mention in this press release about closing Woodside or moving the beds over to Kaleeya or whatever. Obviously, if it took the 50-bed capacity at Woodside and moved that over to Kaleeya, there would not be an extra 95 beds as a result of buying Kaleeya; there would be only 45 new beds. That would be a very expensive way of achieving 45 additional hospital beds. Quite clearly, it was never the government's original intention to close Woodside and move the beds over to Kaleeya. Indeed, in the first instance, it never had a plan to buy Kaleeya.

When the health minister tries to bluff us into believing that he has a solid plan for health in this state, we have to bear in mind that throughout the past couple of years he has shifted like sinking sand on this particular matter time and again. He does not have a comprehensive, consistent plan on the delivery of health care services throughout this state. Kaleeya, quite frankly, was a financial stuff-up by this government. It paved over the odds and ended up not being able to get the services operating the way that it wanted to. It was an enormously unpopular decision amongst medical practitioners and specialists in the area and it has proved to be an absolute failure. As a result of very poor financial and health management by the Minister for Health, he is trying to cover up by saying that the government will shift the beds from Woodside to Kaleeya. Unfortunately, he does not go into the financial and health implications of doing that. I will touch on that in a moment. Firstly, I want to demonstrate the lack of credibility in the minister's argument. We never heard any detailed explanation of why it is a good thing in his opinion to close Woodside and move the beds to Kaleeya or why it is objectively a sound policy decision to also take away the maternity care services at Kalamunda and Osborne Park hospitals. No structured argument was provided to demonstrate why those policies make sense. The reason is very simple, and I refer to my first point: ad hoc health policy is being made on the run. When I touch on the financial aspects, members will see what it is all about. The minister's argument had no credibility. I will demonstrate my point with a couple of examples. The minister constantly tries to politicise the argument. The Liberal Party is arguing to maintain health services and choice for families who want to use the maternity care services at Woodside Maternity Hospital, Kalamunda District Community Hospital and Osborne Park Hospital. What does the minister do? His argument has no substance so he starts flinging mud onto the opposition. One of the examples he gave was that the Liberal Party did not have a policy for the Denmark District Hospital. I am holding a copy of our pre-election statement on the Denmark District Hospital. The opening line clearly states that the coalition has announced plans to fast-track construction of the new Denmark hospital to ensure redevelopment commences in 2005. In other words, had we won government, the new hospital probably would not have been completed yet, but it would have been substantially constructed by now. We have a totally different approach. We intended to invite local people, through a local community-based hospital committee, to help shape the development of that hospital. Even that example demonstrates the poor financial management of this government on health matters. In Denmark a huge controversy arose over the siting of the new hospital. I was there only recently and saw the site on which the minister wants to build the hospital. It is a magnificent site next to the river, but there is very strong community opposition to it. There was a very good site in the town on Hardy Street. I understand from talking to people on the council and other people involved that it probably would have received widespread support. Unfortunately, the Department of Health had ruled it out some time ago and, as a result, the site subsequently became unavailable. That is an example of how, with proper leadership and decent financial management, Denmark could have had a state-of-the-art hospital on a site for which there was widespread community support. Although a new hospital will be built in Denmark, it will be years overdue by the time it is built. It was budgeted I think in 1992 by the last Liberal government, and this government cancelled the funding. Had the Liberal Party won the last election, construction of the hospital would have been commenced last year, but only now is the government committing to build it on a very controversial site. The minister's credibility is shot to pieces based on a couple of examples such as that.

Another example the minister singled out was Pinjarra. On the one hand, the minister said choice for women should be available; they should be able to choose whether they want the services of a midwife, a general practitioner or a tertiary hospital and be allowed to give birth in the facility and environment with the quality of care they want. Guess what? That is exactly what our policy on Pinjarra stated. In fact, we viewed Pinjarra as part of a comprehensive plan to improve and increase the quality and availability of health care in the whole Peel region. We said that we wanted to not only improve facilities and services to the tune of \$40 million, largely focused on expanding services and improving facilities at the Peel Health Campus, but also to establish facilities

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at Pinjarra to service the local community. According to our policy document, one of the services we considered establishing there was a new birthing suite and support for a dedicated midwifery service at home and in the hospital. I have a copy of a letter sent to people with an interest in midwifery matters. It refers to a commitment that a coalition government would provide a dedicated community midwifery service as part of its plan to redevelop the Murray District Hospital, including dedicated beds and funding for community-based one-to-one services. The management model would be determined in conjunction with the maternity coalition. That indicates a firm commitment by the Liberal Party to improve services in Pinjarra as part of a comprehensive, well thought out, fully funded plan, yet the minister said the opposition had no proposal for Pinjarra; all we were doing was pork-barrelling. However, one of our policies was to do exactly what the minister said we should be doing; that is, supporting midwifery services in the community. In the lead-up to the election, our decision was very popular with the local community. Who knows? Perhaps it is one reason the Labor Party did not win that seat. I am sure there are many reasons the Liberal Party is not in government today. However, I do not think our policy on Peel health care is one of them. We did particularly well in picking up that seat. The member for Murray was a very strong advocate for dedicated health services in Pinjarra and for improvements to the Peel Health Service as a whole. The minister's credibility is shot. He does not have a plan; it is more a moveable feast.

I refer to Woodside Maternity Hospital. I cannot understand why the government wants to close the 50-bed hospital at Woodside, which is relatively cheap to operate. Do members want to know why? Only visiting GP obstetrics are employed there and it does not incur the overheads and technical costs of a major tertiary hospital. What does the government want to do? It originally wanted to transfer the beds to the Fiona Stanley hospital. That made no financial sense whatsoever. Why shift 50 low-cost beds to a very high-cost tertiary hospital? Why not allow Woodside Maternity Hospital to continue to operate, save money and use the savings to open additional beds elsewhere and take the heat out of the health system. It makes no sense financially, unless of course the government does not want to replace the same number of beds. That is quite clearly what the government is on about. The government said it will save \$500 000 in recurrent funds by shifting beds from Kalamunda to the new Swan District Hospital. In the proposed 360-odd-bed Swan District Hospital there will not be the same capacity for maternity beds as there is at Kalamunda District Community Hospital. Guess what? If beds at Kalamunda were shifted to the Swan District Hospital, that would not save \$500 000; in fact the number of beds in the system would be reduced. That is what the false saving is based on. If the current number of beds is to be maintained, an equal number of beds will need to be provided at another secondary or tertiary hospital, and that will cost at least as much as it costs to run Kalamunda District Community Hospital, if not more so. Financially, it does not make sense unless the aim is to cut costs by reducing the number of beds across the board. That is clearly what this proposal is about. Our policy before the last election was to keep Woodside Maternity Hospital open for all the right reasons; that is, to provide choice for not only the women giving birth, but also families as a whole. When I visited Woodside Maternity Hospital I was very impressed. It offers an environment that is totally different from that offered at King Edward Memorial Hospital for Women or any other tertiary hospital. I can understand why thousands of women have travelled from all over the state to give birth at Woodside Maternity Hospital. I spoke to partners and husbands of women who had given birth to children at Woodside, and they spoke of their experience as a family event. Everyone spoke in glowing terms about not just the facility, but also the quality of care and service they received there. If we want to increase the number of hospital beds throughout the metropolitan area, why close Woodside hospital? Why not keep those 50 low-cost beds and take the load off the more expensive tertiary beds?

It is interesting to note that the minister went on about the Liberal Party's stance on the new south metropolitan tertiary hospital. However, taking into account the number of beds at Fremantle Hospital, Woodside Maternity Hospital and the new Murdoch facility, the Liberal Party was committing to more beds in the first stage of development in that region than the Labor Party has committed. One of the reasons is that we were planning to provide more choice and more beds throughout the region by keeping Woodside Maternity Hospital open. That was a pretty good combination. Interestingly, under this government, Woodside Maternity Hospital has been doomed for some time. It has a capacity of about 50 beds, but on the day I visited only 22 were funded. Woodside hospital is not promoted particularly well; it needs to be promoted much more. In that way a lot more people would realise that they have the choice and are able to use it.

There are not many issues that come to this Parliament for which one can demonstrate the extent of community support that we can in relation to this amendment to the motion which concerns Woodside Maternity Hospital. A petition containing thousands of signatures has been presented. It is not every day that a member can present a petition with thousands of signatures. However, in this case the community really got behind the campaign to save Woodside.

Extract from *Hansard*
[ASSEMBLY - Wednesday, 8 March 2006]
p138b-175a

Mr Tom Stephens; Mr Paul Omodei; Speaker; Mr Bob Kucera; Mr Murray Cowper; Mr Dan Barron-Sullivan; Mr Troy Buswell; Mr Tony O'Gorman; Mr John Day; Mr John D'Orazio; Mr Martin Whitely; Acting Speaker; Ms Sue Walker; Mr Terry Waldron

The member for Roe hit the nail on the head. Our approach to health care has always been to provide hospital and health care services as close to home as possible. As a country member, I know only too well the impact that Labor Party policies have had on country Western Australia. Nowadays it is becoming more and more commonplace for people to have to travel to Perth from around the state for medical care that in the past was available in country centres and, with a little bit of forethought and sensible planning, it certainly could have been made available throughout the country. In a way, Woodside epitomises the difference between our approach and the Labor Party's approach. We believe in choice and quality health care, and in delivering that care at a place, in a location and in a way that the community would like and expect. On the other hand, the Labor Party is a centralist party. It wants to establish a 1 100 bed hospital and it does not really care if women would rather go to a friendly setting, such as the Woodside hospital, and have an obstetric GP and midwife to help them, and have their families with them to experience the birth of their child. The government does not see it that way. It would rather they went to a tertiary hospital or, as it has to cover up the financial stuff-up at Kaleeya, were shifted to that hospital. The Labor Party has a centralist approach to most things. We see it in the electoral system and in a number of other areas. Unfortunately, in this case, it means that women in Western Australia will have less choice and will not be able to benefit from the tremendous setting and services that Woodside has offered for some time.

I urge the government to endorse this amendment before the house to acknowledge the great services that these hospitals provide to women around the state, and to think very carefully about what this is about. Giving birth to a child is one of the most important moments in a woman's life and her family's life. If the government cannot listen to the community and respond to what women want in relation to a matter of such fundamental importance then, quite frankly, there is no hope for us. If the decentralisation that this government wants to pursue comes at the expense of personal choice and quality care, it is a government that has a short-term future.

Amendment put and a division taken with the following result -

Ayes (21)

Mr C.J. Barnett	Mr M.J. Cowper	Mr D.T. Redman	Mr G.A. Woodhams
Mr D.F. Barron-Sullivan	Mr J.H.D. Day	Mr A.J. Simpson	Dr J.M. Woollard
Mr M.J. Birney	Dr K.D. Hames	Mr G. Snook	Dr G.G. Jacobs (<i>Teller</i>)
Mr T.R. Buswell	Ms K. Hodson-Thomas	Mr T.R. Sprigg	
Mr G.M. Castrilli	Mr J.E. McGrath	Mr T.K. Waldron	
Dr E. Constable	Mr P.D. Omodei	Ms S.E. Walker	

Noes (28)

Mr P.W. Andrews	Mr J.N. Hyde	Ms S.M. McHale	Ms M.M. Quirk
Mr J.J.M. Bowler	Mr J.C. Kobelke	Mr A.D. McRae	Ms J.A. Radisich
Mr A.J. Carpenter	Mr R.C. Kucera	Mr N.R. Marlborough	Mr E.S. Ripper
Mr J.B. D'Orazio	Mr F.M. Logan	Mrs C.A. Martin	Mr T.G. Stephens
Dr J.M. Edwards	Ms A.J.G. MacTiernan	Mr M.P. Murray	Mr D.A. Templeman
Mrs D.J. Guise	Mr J.A. McGinty	Mr A.P. O'Gorman	Mr M.P. Whitely
Mrs J. Hughes	Mr M. McGowan	Mr J.R. Quigley	Mr S.R. Hill (<i>Teller</i>)

Pairs

Mr M.W. Trenorden	Mr P.B. Watson
Mr R.F. Johnson	Mrs M.H. Roberts

Amendment thus negatived.

Consideration - Motion Resumed

MR T.R. BUSWELL (Vasse - Deputy Leader of the Opposition) [3.18 pm]: Mr Acting Speaker, I thank you for the opportunity to make a brief contribution to this debate. I will do so mainly from the point of view of my new shadow ministerial responsibilities for finance and public sector management. In doing so, I will pick up on a number of points that the Leader of the Opposition raised yesterday. Before I do, I draw to the attention of the Minister for Small Business - as complete as that attention span is - a document he discussed yesterday in this chamber. I noted in the *Hansard* blue this morning that he had amended an error in description when he was talking about the business index for small and medium enterprises, which he called the "census" of small business opinion in this state. I suspect that in his mind he determined it was spelt c-e-n-s-u-s. I am interested to know whether he had to correct the *Hansard*. As we all know, and as the uncorrected proof of *Hansard* showed this morning, it is of course the Sensis small business index.

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Before I get into the substantive matters I wish to discuss, I advise that within this index there is a question asked of businesses around Australia. It asks whether they feel their state government is having an impact on their business that they determine to be supportive or otherwise. Do members know that in Western Australia only 21 per cent of small businesses - that is, one in five - feel that this government is supportive of their objectives in business?

Mr A.D. McRae: When was that survey done?

Mr T.R. BUSWELL: It is the same survey that the government's minister referred to yesterday.

Mr A.D. McRae: When was it done?

Mr T.R. BUSWELL: February 2006.

Mr A.D. McRae: So it was before he took over.

Mr T.R. BUSWELL: I am not talking about him; I am talking about the performance of the government. I have no doubt, given the minister's capacity to answer questions, that he will infuse confidence into the small business community in Western Australia. I can sense it now when I travel out into the small business world, perhaps an area that the minister might like to acquaint himself with. I can sense a burst of enthusiasm, and I am sure these figures will improve. However, it is important to note that he mentioned four or five of the criteria. Nevertheless, as it relates to the state government, it is important to understand that one in five Western Australian small businesses think that this government is having a positive impact on their business. That makes it the second worst performing state government in Australia, as measured by that survey.

Mr M. McGowan: It is the best economy.

Mr T.R. BUSWELL: We will talk about the best economy in a minute, because that is another interesting point.

I wish to spend a bit of time looking at the financial management performance of this state government. If we were to look at the fiscal report card of the Treasurer and the state government of Western Australia, we could only conclude that from the point of view of taxation, expenditure control and managing the growth in expenditure, this government has failed. It has failed to contain taxation revenues and the impost of taxation on Western Australians, and it has failed to control expenditure.

Mr T.G. Stephens interjected.

Mr T.R. BUSWELL: It is very interesting to go back to 2001. Indeed, member, I am of the opinion that all governments in Australia at all levels - local, state and federal - tax too much and spend too much. It is a basic position that I have adopted. However, I am here to examine the performance of the state government, and I am very interested in what the Treasurer, when he was in opposition, said in 2001 on these matters. With regard to taxation, what he said is contained in a blindingly impressive ALP document called "getting value for money". "Robbing you blind while you're not looking" is an alternative title. This is part of the ALP platform from 2001. On taxation, the ALP said that its goal in government would be to maintain or increase its taxation competitiveness, as measured by taxation revenue per capita. Going back to late 2000 and early 2001, Western Australia was the third most competitive state in Australia when measured by taxation per capita, lagging behind only Queensland and Tasmania. That was a fairly impressive position to have adopted. It was a great objective to maintain that competitiveness. Within that document, it states -

Labor recognises the importance of competitive taxation levels in attracting business to Western Australia and enabling existing business to flourish.

I want to move on and deal with what the Treasurer set as a goal for government expenditure during his first term. The Labor Party set a fiscal cap in Western Australia and said that its objective was to make sure that the rate of growth of government outlays was limited to that level needed to match price changes and population growth. In other words, the rate of growth of government recurrent expenditure would not increase in real per capita terms. For the lay person, that essentially means that the CPI as a percentage is added to the rate of population change as a percentage, and that becomes the fiscal target. Looking over the past five years - we have now had five and a half years of economic performance and financial management by this government - what do we find? We find that this is the biggest spending and highest taxing state government in the history of Western Australia and that those targets - the fiscal cap and the taxation competitive measure - have been blown well out of the water. In fact, I am always interested to hear the Treasurer talk about his turbocharged, V8, super hotted-up, overdriven, over-revved, overtaxed and overspent economy. I have now been in this place for just on one year, and I have heard the Treasurer on many occasions talk about the wonderful level of economic growth in Western Australia. In fact, yesterday the Premier mentioned that he felt that economic growth was now

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running at 10 per cent in Western Australia. Of course, the Premier did not tell us that he was looking at one quarterly comparison - that is, the December quarter last year compared with the 2004 December quarter - of a small component of gross state product, which is the method most commonly used to measure economic growth.

Interestingly, the Australian Bureau of Statistics produces a report, which I occasionally carry with me but probably not today, that is entitled "Western Australian Statistical Indicators". For the December quarter, that Western Australian statistical snapshot contains a couple of feature articles that are quite interesting. One is on the skills shortage and the other one is an examination of Western Australia's economic performance in 2004-05. One of the key measures, as I said before, of the economic performance of a state is the growth in gross state product - GSP. I was very interested to read that feature article, especially given that the Treasurer continually tells us that this state has a V8, turbocharged economy. The ABS report shows that in 2004-05, Western Australia's gross state product grew by only 2.7 per cent. Historically, economic growth is measured by considering the size of the economic pie and dividing it by the number of people who have a piece of that pie. In 2004-05, in the turbocharged economy of Western Australia, gross state product per capita grew by 1.1 per cent, which was below the national average. In fact, if we use gross state product per capita of 1.1 per cent, we find that Western Australia was the second worst performing state in Australia when it comes to economic growth. I was astounded.

Mr J.J.M. Bowler: Do you agree that those figures are accurate?

Mr T.R. BUSWELL: These are the Australian Bureau of Statistics gross state product figures. The year before when the figure was 7 per cent, everyone was jumping for joy. The government cannot have its cake and eat it. The fact is that in 2004-05, as measured by gross state product per capita -

Mr J.J.M. Bowler: Do you think they are accurate?

Mr T.R. BUSWELL: They are accurate.

Mr J.J.M. Bowler: So they are accurate.

Mr T.R. BUSWELL: They are from the Australian Bureau of Statistics. The minister should read them.

Mr J.J.M. Bowler: The Australian Bureau of Statistics also says that Kambalda's population is going down and -

Mr T.R. BUSWELL: My friend, I am just trying to point out some facts. The Treasurer bumps on about the economic growth of this state, but the facts do not always support his argument.

Getting back to the issue of tax, I was very interested to note that, based on the trends in Western Australia for the first six months of this financial year, we run the real risk at the end of this financial year of going through \$5 billion of tax revenue generated for the state. To put that in context, that is an increase in tax revenue in Western Australia of \$2 billion, or 72 per cent, for the first five years that this government has been in power in Western Australia.

I will go back to the measure of taxation per capita. When the government was elected, taxation per capita in Western Australia was \$1 521. If taxation keeps growing in a similar manner in the last six months of this financial year, taxation per capita will be nearly \$2 440. That is an increase of 60 per cent during the first five years of Labor in government in Western Australia.

Dr K.D. Hames: That would be a good election ad.

Mr T.R. BUSWELL: A fantastic election ad, member for Dawesville. Let us not forget that, when elected, the Treasurer inherited the third most competitive state-based tax regime in Australia. Do members know that the Chamber of Commerce and Industry of Western Australia, in its latest publication "WA Economic Compass", has mapped tax per capita and that Western Australia is now the highest taxing state in Australia, as measured by taxation per capita? We have gone from having the third most competitive state-based taxation regime in Australia to having the least competitive regime. In fact, our Treasurer is so good at screwing taxes out of the people of Western Australia that we have passed New South Wales - the basket case of financial management at a state level in Australia. What has the government's response been? In January of last year the then Premier said that he was sorry he had put tax up so much. He said that he thought he had made a bit of a mistake in putting tax up; in fact, he said he had erred in lifting taxes.

Mr J.J.M. Bowler: It was not last year; it was the year before.

Mr T.R. BUSWELL: It was said on 15 January 2005. It is now 2006, and 2006 less one makes 2005. It may be that he apologised the year before. Maybe he is a serial apologist for the Treasurer's overtaking. I do not

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know. However, he said that, and what did the Treasurer do in response to this horrific taxation performance? He changed the measure. He said that the government was not doing too well with taxation per capita as a measure, so he said he would measure taxes as a percentage of gross state product. Guess what? That figure is also slipping. From a taxation point of view, this state has suffered incredibly under this government. It is worse than that. The real villain in the sound fiscal management of this state has been the complete and absolute failure of the Treasurer and his ministers to rein in the growth of recurrent expenditure in Western Australia. The unfortunate fact is that this explosion in recurrent expenditure, which is now growing at a rate of almost \$1 billion a year is, I believe, developing a structural imbalance in the finances of the state of Western Australia, which in a very short time could lead to some considerable problems.

Just consider this: when the government was elected in 2001, government expenditure was \$10.4 billion. At the end of this financial year, according to midyear forecasts, government recurrent expenditure is expected to be \$14.1 billion, which is an increase of \$3.7 billion or 40 per cent. I remind members that the government had a measure of no real per capita increase in government expenditure; that is, government expenditure multiplied by the sum of the cost price index plus population growth. Had the Treasurer been able to keep his promise to the people of Western Australia and been able to stick to that fiscal cap, in 2005-06 the size of recurrent government expenditure would be \$12.9 billion; in other words, in this financial year alone, if the Treasurer had been able to control the recurrent expenditure growth that his government has unfortunately foisted on us, the government would have had to spend \$1.2 billion less. Over the five years of this government, had it kept to its target, the government would have spent \$2.5 billion less. If we consider this year in isolation and take a \$1.2 billion reduction in recurrent government expenditure, even if the government wanted to protect the surplus, it could absorb that and reduce state taxes by almost 25 per cent. The sad facts are that this irresponsible approach to recurrent government expenditure has shown the Treasurer to be incapable, through government, of sticking to a fiscal cap and also it has meant, for better or worse, that it will be increasingly difficult to cut this state's taxes.

I want to look at the last financial year to highlight the incapacity of the Treasurer to manage the finances of Western Australia. In the budget papers he stated that general government expenses in this year would grow by 4.1 per cent and that the government's bill for employee expenses would grow by 4.7 per cent. Those were the targets that he set himself in May of last year. In the first six months of this financial year expenditure has grown by 7.2 per cent and salaries have grown by 8.1 per cent. Within a short time - some six months - this government has doubled the growth rate in expenses and more than doubled the growth rate in salaries over that which it originally anticipated. I struggle to understand how, when running the economy of Western Australia, in less than six short months the targets that the government itself set can be so dramatically overshot in only May.

I do not want to dwell for too long on the reasons for the growth in government expenditure in Western Australia, but the answer quite clearly lies in one very simple fact. That is the fact that the state public sector has grown so dramatically under the term of this government; in fact, as our leader indicated yesterday, the state government sector has grown by 18 142 public servants.

[Member's time extended.]

Mr T.R. BUSWELL: Those extra public servants have been employed under the term of this government; that is, 18 public servants for every working day over which this Treasurer has had control of the Western Australian economy. That is at the core of the problem of this growth in recurrent expenditure. I hear the government often say that that figure represents extra teachers, nurses and police officers. However, I am afraid that when we go to the coalface in these core service delivery areas, we do not find extra people there. There are no extra policemen, nurses or people involved in the delivery of core public services. I do not know where those 18 000 people are.

Mr J.J.M. Bowler: They are in core government services.

Mr T.R. BUSWELL: I wish that the minister would not periodically wake up and make these inane interjections. If he took the time to listen, he would understand quite clearly that those people are not involved in the delivery of core services in Western Australia. The sponge of government that the minister and his colleagues have instigated in this state has sucked in 18 142 extra people. Let us have a look at what that has done to the wages bill.

Mr A.D. McRae: How many?

Mr T.R. BUSWELL: It is 18 142.

Mr A.D. McRae: In five years?

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Mr T.R. BUSWELL: What has it done to the wages bill of the state government of Western Australia? The wages bill has gone from \$4.3 billion to \$6.1 billion; in other words, the wages bill that the government pays public servants in this state has increased by \$1.8 billion in five years. The growth in wages has absorbed 42 per cent of the burden of the increase in recurrent expenditure. Do members know where part of that growth in wages has come from? It has come from the fat cats at the top of the bureaucratic food chain in the state public sector. Let us have a look at the figures. The number of public servants being paid between \$100 000 and \$150 000 has increased by 54 per cent; the number earning between \$150 000 and \$200 000 has increased by 280 per cent; the number earning more than \$200 000 has increased by 453 per cent. There is the nub of the problem. The nub of the problem is the incapacity to cap the growth of the public sector and to keep wages down. When I go out and meet with public sector unions, which I have done twice now, I say to them that public sector wages in this state have gone up by 42 per cent. I ask if they have seen it. They say they have not because their wages have been suppressed at three per cent. The average public sector employee in this state has been receiving increases of three per cent a year; employees have not received any extra. I say to them that there are 18 142 extra public servants. I ask if they are in their offices delivering essential services at the coalface. They say no. They say that they have been on head count freezes and that salaries have had to be cut. I get back to the point that there has been a hidden explosion in the growth of the public sector in this state.

Several members interjected.

Mr T.R. BUSWELL: We will find them! In due course we will find out where they are. We will go to every minister who is responsible for the growth and ask what that minister has done about it, why the extra public servants are there and what is the improvement in the services delivered to the public of Western Australia that the minister has overseen. The answer will be nothing.

Mr J.E. McGrath: Their offices are bulging.

Mr T.R. BUSWELL: Bulging is the term I was looking for. It slipped my mind but it is back now right at the front - bulging like the intellect of the Minister for Small Business. I wish he were here. Let us get back on track. Enough of this stuff about bulging. The level of taxation in this state is at a record high. The level of recurrent expenditure in this state is bulging. However, one very interesting factor in the fiscal management of this government is the Treasurer's advance account. That is a facility that the Parliament makes available to the Treasurer to help him get by at the end of the financial year until the Parliament has approved the expenditure for the following financial year. The Labor Party's 2001 platform, which I referred to earlier, talks long and hard about the importance of the Treasurer's advance account. It states -

The Court Government has increasingly used the Treasurer's Advance Account as a means to "top up" funding for the financial year. This fund was designed to be used only in "urgent and unforeseen" circumstances. Under the Court Government, Ministers have used this fund extensively for a range of purposes.

It goes on to say -

Labor will overhaul the current Treasurer's Advance Account process and in particular will:

- **require all Treasurer's Advance Account requests to be considered and approved by the Expenditure Review Committee, not just the Treasurer as is currently the case; and . . .**

The second thing the Labor Party will do, as a measure of its fiscal responsibility and financial management credentials, is -

- **halve the annual allocation from \$300 million to \$150 million.**

It goes on to say that Labor will be able to halve the annual allocation because -

Labor's more vigorous Budget formulation process, and the financial discipline which will be required of Ministers and agencies, will significantly reduce the need for urgent funding injections.

There we have it! The Treasurer's advance account is an indication of the capacity of a government to manage its finances. Guess what this Parliament approved last year? Last year this Parliament approved a record Treasurer's advance of \$750 million. That is a clear example, if ever one was required, of a government that has no capacity to manage recurrent expenditure growth, and of a government that, by its own admission, has failed to achieve its objectives. I will recount the objectives of this government. The Treasurer said that this government will cap expenditure so that there will be no real increase in expenditure per capita. That objective has been blown out of the water. The Treasurer said also that this government will maintain the tax competitiveness of this state. This state used to be the third most competitive state when it comes to the rate of taxation per capita. That objective has also been blown out of the water. In fact, it has been blown out of the

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water so badly that it has been abandoned. The Treasurer said also that this government will manage state finances effectively, and as a result it will be able to halve the Treasurer's advance authorisation from \$300 million to \$150 million. That objective has also been blown out of the water. The Treasurer's report card on financial management is fail, fail, fail.

My biggest concern is that the Treasurer's mismanagement of the fiscal aspects of governance in this state has created a serious structural problem. I have a horrible suspicion that the burden of rectifying this structural problem will fall upon a future Liberal Government in this state. That structural problem is that recurrent annual expenditure is growing at the rate of about \$1 billion a year. Any member who has ever been in business, or has ever been responsible for the finances of a local government, would understand that it is very difficult to reel in, cap or attempt to slow the growth of recurrent expenditure. We now have a beast in this state that is consuming an extra \$1 billion a year of government moneys. I am concerned about the structural imbalance that would be created in this state if the flow of revenue to this state from whatever source were to slow or dry up for whatever reason. There is an interesting article on the front page of today's *The West Australian* about iron ore prices. The most recent figures from the Australian Bureau of Agricultural and Resource Economics indicate that the amount of income that Australia will enjoy from resource and energy exports will decline in real terms over the next five to six years. That will create the real threat that royalty growth in this state will be stymied. If we add to that the hypothetical scenario that GST growth rates also slow, then the burden of having to fund this \$1 billion monster every year will fall on the people of Western Australia in the form of an increase in taxes. I am talking about the ordinary Western Australians - the battlers whom the member for Yokine beats us around the ears for not supporting. I am talking about the people who cannot afford to buy their first home because of the cost of stamp duty, and the people who cannot find a rental property because the growth in land tax is forcing properties out of the rental pool. Every person in this state will suffer because of this government's mismanagement of the finances of this state. If that \$1 billion burden was placed on the taxpayers of this state, we could face a crisis in which the rate of taxation in this state was pushed up to in the vicinity of 20 per cent in any one year, just to feed the beast of expenditure growth in this state.

During question time, the Treasurer talked about tax relief. I found that very interesting. The Treasurer would not understand tax relief if it fell out of the sky and smacked him to the ground. The Treasurer has talked about tax relief many times. *Hansard* is peppered with his broken promises on tax relief. The Treasurer gives the people some tax relief with one hand, but then with the other hand he takes it back twofold. That is what the Treasurer does, and that is what the former Premier used to do. The former Premier used to be sorry about it. The Treasurer just gloats as he sits on this pool of funding. It will be very difficult, in this environment of recurrent expenditure growth, for the Treasurer to deliver meaningful and sustainable tax relief for all Western Australians. The challenge for this government, if it is serious about managing the finances of Western Australia for all Western Australians, is to tackle recurrent expenditure growth. It is only when recurrent expenditure growth is tackled that we will be able to address the tax issues in Western Australia in a meaningful and sustainable way. Taxation is a major issue in Western Australia. We need to look at financial management from a sound philosophical position. The basis of that position is to accept the undeniable truth that economic prosperity is best generated in the private sector, not the public sector. It may hurt the government philosophically to trim the size of the government sector. However, the government needs to realise that there is no sound argument to support the view that the economic prosperity of Western Australia, and the individual prosperity and economic liberty of all Western Australians, is best served by a burgeoning public sector. It simply is not true. That is the great challenge for the new Premier and his government.

MR T.G. STEPHENS (Central Kimberley-Pilbara) [3.47 pm]: I take this opportunity to congratulate the Premier on his appointment as the thirty-seventh Premier of Western Australia. Did I get the number right? That is not right. Is that the number of US Presidents we have had? He is the twenty-eighth Premier. Anyway, I congratulate the Premier of Western Australia and his new cabinet members.

What a jaundiced contribution we have just had from the member for Vasse! I have made some contributions in my parliamentary career in which I have endeavoured to be one-eyed. However, that was the most one-eyed, potted view of history that has ever been delivered in this chamber! This state is growing like the clappers. It is experiencing a time of growth that we could never have believed possible. In the 25 years in which I have served in this Parliament, particularly for the people at the top end of the state, I have never seen a time like this. Never before has a resources boom been so much on display, with new railcars, new trains, new tracks, new roads, new port facilities and new mine facilities. This is a boom like none other. However, the resources boom that we have been experiencing for the past five years is creating extraordinary challenges for the state. It is, therefore, inevitable that pressure will be placed upon the government to respond to the infrastructure and other challenges that are facing this state.

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Mr T.R. Buswell interjected.

Mr T.G. STEPHENS: The great tragedy is this ignorant member opposite, who does not take interjections himself but is happy to interject on anyone else. I have watched and listened to him for long enough, and now I will call him what he is - a hypocrite in his description of the government's budgetary circumstances. It is possible to treat one set of facts as though they were the only ones, and ignore another set of facts about the extraordinary demands upon the state of Western Australia that require expenditure. We cannot build hospitals and leave them empty; we cannot build schools and not staff them; and we cannot build new police stations and leave them without police officers. The member who has just finished his speech, and who has just finished interjecting, shows why he is ill-suited for the Treasury benches in a state with such a thriving economy.

We have engaged in the critique of the Commonwealth Grants Commission for many years now. We have gone to the commission year in, year out looking for extra funds to respond to the challenges and disadvantages we face in Western Australia. The huge size of this state requires disproportionate spending to respond to its infrastructure needs. We also have a particular demographic with particular needs that positions us with special circumstances needing favourable treatment from the Commonwealth Grants Commission. Regrettably, in the carve-up of the goods and services tax, we are beginning to see the winding back of that special allocation that has come our way in response to some of the particular challenges. The commonwealth is now carving up the pie in a way that will reduce the funds flowing to Western Australia. The Treasurer made the remark at the time of that carve-up that we will not be as disadvantaged as we might have been if the full effect of the direction being taken at the national level had been felt. Fortunately, we now see a modified version of that.

I said to the house that we are blessed. We have a supercharged V8 economy with super turbochargers driving us along. However, one of the risks we face is that people can too easily be left behind. I set myself the task of reading not only the glowing forecasts of the economists and the figures being produced by the Chamber of Commerce and Industry of Western Australia, the Department of Treasury and Finance and others who examine the Western Australian economy, but also a variety of other reports that strike chords in the increasingly melancholic disposition I have discovered I have acquired over the years. One such report is produced by John Taylor and B. Scambary of the Centre for Aboriginal Economic Policy Research at the Australian National University and is entitled "Indigenous people and the Pilbara mining boom: A baseline for regional participation". It details the issues confronting indigenous people in the north west of Western Australia. I read a report like this alongside a number of other reports that I have started to study in more detail, such as the coroners' reports on acts of self-harm that have led to deaths of Aboriginal people in the north west. Those reports galvanise me to advocate for a positive response to the circumstances facing us in Western Australia, and to grab this moment in history, and the funds flowing into this fortunate state, to make sure that the increasing needs of the Aboriginal community in Western Australia, particularly those in remote regions, are tackled. It is too easy for federal, state and local governments to not focus on these issues in regional Western Australia. However, whenever I travel in any part of my electorate I see that the needs are becoming more and more compelling. From the major towns in regional centres through to the small communities and outstations, never have things been more challenging than they are now. There is a desperate need to respond to those challenges.

The Taylor and Scambary report describes the Aboriginal population of the Pilbara. There are some 4 660 Aboriginal people of working age in that region, 90 per cent of whom have no post-school qualification, and only 68 per cent of whom have schooling to year 10. Twenty-one per cent had diabetes, and 60 per cent had been admitted to hospital in the past year. Education to year 12 is generally required for employment in apprenticeships and in the mining industry in that region. However, local Aboriginal employment has risen just three per cent over the past 30 years, to 42 per cent. Of that 42 per cent, half are employed working part time and a third are employed through the work for the dole scheme. This compares with a regional employment rate of 80 per cent for the non-indigenous population, almost all of whom work in private industry, specifically the resource sector. These are extraordinary statistics of which no Western Australian on either side of politics or in any sphere of government can be proud. These statistics beg us all to participate in collaborative, concerted action to turn the situation around with enormous speed.

There are some locations where the situation is turning around. At Argyle, the Rio Tinto diamond mine project in the north east Kimberley, under the stewardship of its former general manager, Brendon Hammond, we have seen employment statistics pick up dramatically with the recruitment of large numbers of Aboriginal people. This has come about because a former mining executive who has taken up employment with the state government was able to take up the policy agenda of Rio Tinto, as articulated in its international obligations on sustainability, and convert that policy into an action plan that has started to deliver for that mine, and, regrettably, for that mine alone. Despite the efforts of the other arms of Rio Tinto in the iron ore and salt divisions, they have not experienced the same level of success as the Argyle diamond mine. This shows that

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companies must be absolutely focused, dedicated and determined with their recruitment, training and employment strategies to make sure that they accommodate the agenda that is delivered. In the case of Brendon Hammond, the agenda was delivered by the board of Rio Tinto.

We need to do these things because we cannot afford to do otherwise. We must create pathways that ensure that our entire population has access to education, training and employment. The alternative self-destructive, self-defeating pathway is towards self-harm and involvement in the courts and the prison system leading to costs not only for the individuals caught up within it, but also for the wider community. These disruptive costs play themselves out in the homes, streets, communities, towns and regions of Western Australia in unacceptable ways. In the Kimberley and the Pilbara, the needs of Aboriginal people grow more acute by the day. The social problem is growing like a tidal wave for the state. It is absolutely huge. I have sensed this, worried about it and done things about it in the past, but now I have come to the realisation that the challenges facing the state have created a set of circumstances more serious than anything I ever dreamed of. Countless numbers of young children throughout this region are not engaged in the educational opportunity that should be theirs. There are too few children in homes, too few in schools and too few being catered or cared for or adequately clothed. They are experiencing overcrowding and have parents in need. Alcohol use and abuse is becoming increasingly rife, and without the basic housekeeping skills and the capacity to rise above this challenge, their poor set of circumstances grows daily. Now more than ever there is a need to target towns and communities with major programs of support to turn this situation around. It has to be multilayered and multipronged. These programs must encourage participation in educational opportunities and tackle the challenges of education and schooling, taking the pathway of training and then employment. They must be underpinned by economic activity. As sure as hell, simultaneously, social programs must tackle the difficulties that people also face in their homes.

We have only scratched the surface with in-house support programs. Tiny pilot programs are operating in a small number of places around the state, and they need to be replicated in household after household in regional town after regional town so that those families are equipped with the capacity to manage their set of circumstances, manage the home unit, manage the family, create safety around those individuals and create a climate where it is natural and normal to go to school. Children need to be adequately fed and clothed as they head towards the pathway of school and beyond that pathway onto life's opportunities. Regrettably, this is not happening for many children. Increasing numbers of individuals are succeeding in the Aboriginal community. Small numbers of families are achieving and growing in success and prosperity. The tiniest of communities have pluses on the board. The overwhelming majority of communities, regrettably, have a set of circumstances in which they find themselves in vast need.

Mr P.D. Omodei: The issue of truancy.

Mr T.G. STEPHENS: The issue of truancy needs to be tackled in a variety of ways. I have asked the Premier to bring forward from his cabinet colleagues a multipronged response to truancy that does not look at any single issue but recognises the interplay of a variety of different factors. On my most recent trip to the schools in my electorate I noticed that too frequently they are staffed by kids just out of the training colleges or universities and with no experience of how to deliver educational programs. There are a small number of longer serving, dedicated teachers, but an overwhelming majority of teachers in the schools are teaching for the first time in places where the needs of the kids are most critical. This occurs not only in the government schools. Regrettably, it applies to the Catholic and independent Aboriginal schools as well. We must do better in these circumstances.

In too many of those communities, schoolkids do not have access to the clinic nurses who were once available to them to respond to the challenges with which they are faced. Schools in places such as Kiwirrkurra do not have a clinic nurse available to them today. Kids are in desperate need. They cannot get to school and the schoolteachers are unable to cope with the chronic sets of circumstances those kids face. Parents are not able to adequately respond to the critical health needs of those kids. Teachers, in turn, have too much asked of them. This is not an acceptable set of circumstances in a state like ours with a V8 economy of which we are all proud, with a super turbo charger on it. I think that is the way it is described.

Mr M. McGowan: Turbocharged.

Mr T.G. STEPHENS: Whatever it is, I am not sure. I am not a petrolhead. I think the expression is that we have a bloody good economy. In the face of that economy, we need to respond to abject sets of circumstances that are intolerable even in the worst of times. Now, in the best of times, they can certainly be tolerated no longer. As an advocate for the Central Kimberley-Pilbara region, I find it embarrassing to stand in Parliament in a state like ours with a set of circumstances that I have constantly spoken about. Responses for the challenges we have faced over the years are increasing but are still inadequate to the size of those challenges, which are now

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growing. We have sets of circumstances in which needs have to be met. Some of the communities in my electorate lack the basic provision of power. It is a costly burden on these communities when the production of power falls on them too heavily. The federal government has disengaged itself from the delivery of the full cost of the power that it equipped these communities with back in the 1980s. It has now delivered power facilities which are expensive and from which these communities walk away. These communities are left with the obligation to start billing the schools. The independent Aboriginal schools are being hit with power bills that they cannot cope with. The Catholic schools have been faced with the same situation. The government schools are able to cope because they are part of a bigger apparatus of government that can pick up the cost of power generation inside their overall global bill. The budgets of the independent and Catholic schools should be dedicated to responding to the extraordinary disadvantages these kids face, but they are now being eaten up by what should be a basic right for any Western Australian - access to power and emergency services. Power is a basic essential service, necessary for the provision of the water service, for operating homes and, of course, for running schools. If the budget of these schools is eaten up in paying for the exorbitant cost of power, the schools will have trouble delivering attractive and quality education in those communities. Further to the basic provision of power is the extreme cost of trying to access the Internet through satellite technology. The independent schools and Catholic schools need access to the increasing educational opportunities that come online.

Missing from those remote communities is an adequate or substantial program to respond to the leadership challenges the communities face. I put in not a small amount of effort when I had the portfolio of local government and regional development. I tried to move along the leadership issue in the Aboriginal communities and make a difference in this area. A small amount of money with which we made significant inroads came from what we described as the National Party leadership program for the regional areas of Western Australia. That did a great job of producing a new crop of National Party candidates for the Parliament of Western Australia. When I got into office, I was able to divert some of those funds away from the National Party training program and into tackling an area of need in the Aboriginal community and trying to get some Aboriginal leadership on its way.

[Member's time extended.]

Mr T.G. STEPHENS: There are programs that can be embarked upon that respond to some of these challenges. Some communities that have been able to do it because of the individuals involved or because of the cauldron from which they have come. I recently visited Noonkanbah and saw the leadership of the Yungngora community. This community has been gold-tested by fire. I think that is an old biblical expression. The community was put through the awful challenges of the Sir Charles Court years during the 1970s and early 1980s. It was tested as it struggled through that process. It came out the other end with a strong, quite extraordinary, leadership. Sometimes I detected a discordant note on the viewpoints of other Aboriginal leaders of the region, but they are producing for that community a focus on health and activity, its pastoral agenda and its school, and it is deliberate.

Those communities are the minority. Other communities need us to stand strong in support of their various objectives. We need to find ways to support their ambitions for a bolstered leadership program. We need to find ways to bolster the attractiveness of the educational opportunities in these remote locations. I hope that my colleagues in one of the committees of this house will soon deliver a report on the initiatives of the work embarked upon by Dr Kim Hames on the no school, no pool program. I support that program to my region as a member of Parliament independently from my role on that committee. It deserves rapid expansion to meet the needs of not only other communities, but also major towns throughout regional Western Australia.

Pathways to jobs in the resources sector must be opened up firmly and forcefully by government, with industry, to deliver outcomes for the indigenous community. I am very sick and tired of hearing of the arrival of more and more people from other states and other various parts of the globe in regional areas of Western Australia to take up the many jobs that are needed for the resource sector's fly in, fly out rosters. I have occasionally bumped into New Zealanders on their way out of mines in Western Australia waiting to fly back to New Zealand at the end of their roster. They reflect an unacceptable phenomenon. In the face of a very high level of unemployment in the indigenous community of my region, I say enough; no more. We must turnaround this awful statistic now. Some of our regional educational facilities are almost unrecognisable compared with their former state. In the early 1980s, Pundulmurra College in Hedland was a beautiful training facility. However, as far as I can tell it has effectively become deficient in delivering training despite the needs of the current climate. The Pilbara colleges that were once proud institutions delivering vast numbers of trainees into the resources sector, even in the downturn, have had their roles changed and subverted in ways that have made them ineffective or inefficient in responding to these challenges. The resources sector itself is largely to blame. It has been allowed to shut down the brilliant training facilities in towns such as Hedland, Newman and Karratha, which were once vibrant

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institutions that produced extraordinary quality apprentices who took up roles as tradespeople in the resources sector and more widely. Although those training facilities are now not utilised by the resources sector, that sector has had the gall to complain to government and the rest of the community about a problem that they themselves created. The companies involved have closed the training facilities that once delivered apprentices and tradespeople into their industries from one end of the state to the other. I am sick of seeing increasing numbers of people arriving from everywhere else but from our own backyard onto the shop floors into the apprenticeship schemes and into the work force of regional Western Australia. Training young indigenous people is a difficult task. It is not made easy when kids are not focused on staying at school. They cannot achieve at school if they are not there. They cannot get through to year 12 if they spend half their school lives elsewhere, aided and abetted by government systems, communities and families that do not place sufficient value on those school years. It is unacceptable for government to fund events, festivals and sporting carnivals that constantly take kids away from classrooms. It is important to note, as I have said to the minister responsible, tragically, increasing numbers of funerals, which are become larger, are held in Aboriginal communities. This is because people are dying at younger ages, in the prime of their lives. Funerals are attended by large numbers of people from all over the community and beyond. When my aunt died aged 95, she scarcely had a friend of her age group left in the world. When her bridesmaid died she phoned me and said, "Tom, my bridesmaid has died". When I asked her why she was telling me that, she said that there was no-one left to tell! That is the case in the white community - some older citizens die at a great age and their friends die before they do. In the Aboriginal community, youngsters are dying in the prime of their lives and funerals are larger than they have ever been. Unfortunately, the guidelines under which one portfolio provides assistance to people who need to hold a funeral require that the funeral be held only on a week day. I have written to the minister, and I hope he has a chance to read my letter and to act on it. A simple change of policy might make it possible to not only encourage weekend funerals but also ensure that people in need are given extra assistance to make the funeral possible. It would be a tiny contribution from the government of Western Australia in response to what is a much bigger issue. That is a small focus on a tiny issue. If those who are listening to this speech or who read it elsewhere all do their part, at least they can hold up their heads and say that they have done a tiny little bit towards making a difference to the overall impact of these issues.

The remote community stores face huge challenges. They were once supported ably by the government under the leadership of the then Deputy Premier, Hendy Cowan. He implemented a significant program to support community stores that provided a framework within which health and nutrition were the focus of those community stores. Regrettably, that program has been abolished for a range of reasons and too many stores are struggling. The communities are suffering as a result of inadequate supplies. What is worse is that some stores are pedalling death as a result of diabetes. Fridge after fridge is loaded up with soft drinks that provide a high cash yield for store managers. However, as a result of too many soft drinks, diabetes sets in and a high rate of death and destruction is wreaked upon communities, and early mortality increases the statistics in the communities. That scenario compounds the problem for kids who want to get on the pathway to employment. I first came to this region when communities such as Cockatoo and Koolan Islands were thriving. The mining towns of Shay Gap, Goldsworthy, Telfer and Wittenoom were thriving and busy towns and a large community existed on Finucane Island. However, since then the profile of regional Western Australia has changed very dramatically. Huge camps have been built in towns like Newman to house fly in, fly out personnel. Newman houses a monster of a camp, which is the ugliest of places, built with the connivance of three spheres of government in the heart of what was once a beautiful town. It is now a fly in, fly out camp situated in the heart of Newman next to beautiful houses with facilities that should have been expanded. A similar fly in, fly out camp would do prisoners proud as a concentration camp. It could be picked up and put in Guantanamo Bay where it could successfully house the terrorist suspects of the globe. Instead of that, those camps have been built in some of our prized regional towns. They house fly in, fly out workers from New Zealand and other parts of Australia to make sure that they cannot organise collective meetings, union activities or anything else that might be offensive to employers, who would not want them to have too many collective rights. Worse than that, those industries do not want successful regional development strategies. Nor do they want to make an impact on the significant Aboriginal population, which is growing like a tidal wave. Aboriginal children in vast numbers are on the streets in need of education, training and jobs. In an economy like ours, of which we can be rightly proud, we must not leave anyone behind, especially the Aboriginal people of regional Western Australia.

MR P.D. OMODEI (Warren-Blackwood) [4.18 pm]: I rise to respond to the Premier's Statement and to commend the member for Central Kimberley-Pilbara for his speech, which was one of contrasts. In fact, it left me rather depressed. One minute we were talking about the four-on-the-floor and V8 turbo-charged economy and the next minute we were talking about families that are suffering. The member referred to his disappointment. I am ashamed to be a member of Parliament in 2006 in a state in which people are living in

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third-world conditions. We collectively - I have been here for 18 years - have not been able to address those issues with what could be regarded as a reasonable outcome. We can talk about our economy and our wonderful opportunities but I have been to Tom Price, Paraburdoo, Port Hedland and so on.

The resource companies, particularly Rio Tinto and BHP, have training programs for Aboriginal people that certainly seem to be working. They work because political nonsense or political correctness do not surround their programs. Perhaps, when it comes to truancy, that is where we should be looking instead of agreeing with the do-gooders in the community. In a state like Western Australia we should not have destitute families or poor sanitary conditions. I do not deny that it is a major issue and a very difficult one to resolve. The government, having been in office for five years in an economy that is booming like that of no other state or country in the world, has nothing to crow about when those sorts of conditions prevail. This issue confronts not only people in remote areas, but also all other members of the Western Australian community, not all of whom are Aboriginal.

I found the Premier's speech quite instructive. It seems it was almost a strategy that it be a minimalist speech that did not say very much about what was happening. He referred to matters that are already in train and legislation that has been around for a number of years. It appeared to me that the Premier is setting himself up for major announcements and ribbon cutting and, given the current capital works budget, that will occur. If I put on my conspiracy cap, I suspect that the Premier's speech was a tactic to extract from the opposition all the issues concerning it. The government would then be able to act on them in a very political way and ingratiate itself with the community. I hope that is what it does, because I am about to give it a few more issues of concern. I hope the scribes out there and the special strategists in the Premier's office take down my concerns in detail. Members may have heard some of them previously. I will be raising these issues in the Parliament on behalf of my community without fear or favour.

The first issue is the dairy industry in Western Australia. The Parliament of Western Australia passed legislation to deregulate the dairy industry. It was supported by all political parties in the Parliament and it was an exercise that really has gone wrong. It was done too hastily and there were not enough protections for those communities affected by the legislation. Members know that, under the national competition policy, if a public benefit test can be proved, regulation is allowed to continue. The dairy industry was separated between market milk, drinking milk and manufacturing milk. Those farmers who supplied the processing companies with drinking milk enjoyed a price of about 48c a litre. On the other hand, farmers in the manufacturing section received a price of between 17 and 20c a litre; therefore, they were disadvantaged. Those people in the regulated market enjoyed an advantage. The scope was there for a person who wanted to be a dairy farmer to buy a dairy quota that came up under auction or buy a farm that already held a quota. Under deregulation it was expected there would be an average price of about 35c a litre across the industry and the industry would grow and prosper. History shows that from 415 dairy farmers in this state we now have 254, and that number is heading south at a rate of knots.

The truth is that this industry is suffering and the communities in the dairy farming region are also suffering. I understand that Fonterra, a subsidiary company of the Peters and Browns Group, will be charging a higher price for its milk in the next few weeks and that National Foods will follow. The average price of about 27c a litre barely covers the production costs for most farmers. Obviously some farmers are more efficient by probably not charging out their labour at the same rate as others and they are able to make ends meet. One must ask: what has happened? The price of milk to the Western Australian consumer has increased. Therefore, why are farmers leaving the industry in droves? It is because the federal government came up with an industry exit package for the dairy industry of \$1.9 billion that was to be raised by a levy set at the retail level. We have it from a very good source that it was always intended that the levy of 11c was to be called a dairy adjustment levy. The government intended that it would apply to retailers and be collected by processors. In other words, by paying the levy at the retail level, the consumer would pay for it. In the end, the consumer pays the whole price. The farmers in the industry deserve a fair return on capital and a fair margin of profit to enable them to remain in the industry.

Currently the price to processors remains roughly the same and retailers are charging more for the milk. Therefore, who is suffering the loss of the levy? Obviously it is the farmers. We want the federal government to ensure that the levy is extracted at the appropriate point. At the conclusion of the adjustment package, which is about 2010, that amount of money should be returned to the farmers. Members on this side of the house, particularly the member for Capel, have written to the federal Minister for Agriculture, Fisheries and Forestry and said very clearly that we believe that the levy is being improperly applied and should be applied at the appropriate level.

In the meantime, the industry, through Dairy WA, has been trying to achieve a milk negotiating agency at a state level. It has been to the Australian Competition and Consumer Commission and has been knocked back on two

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occasions. If they were to appeal at this stage they would need at least \$80 000, and their chances are not good. In the meantime, the retailers in this country can set the price at whatever they like. They do not need any special approval from the ACCC.

The farmers, the lifeblood of the community in the south west corner of the state, are slowly leaving their farms and it is a damn shame. Previously when people talked about the inefficiency of the industry they had new cars, mowers and bailers, and every two or three years they changed them over. The decision by the state government to apply deregulation because of national competition policy has affected the dairy industry. We have to take stock of ourselves. If we want farmers in this state to be profitable, we need to allow them to survive. All the regulations we apply to them, including the costs for water, transport and so on, are areas in which government can become involved and provide incentives to farmers to remain on the land.

I fear for the future of agriculture in Western Australia. I heard today that the number of farmers in 1990 was about 16 000; it is now down to 7 000. Farmers will leave the land in Western Australia. When we consider that the Chinese horticultural industry export about one per cent of their produce - there is a possibility that may increase to between three and five per cent - what happens to the farmers in this country? We need to curb the power of the major retail sector. If that means bringing anti-trust legislation into this country, that is what should be done.

I refer to the potato industry, of which I have intimate knowledge. In the past few weeks consumers have been clamouring for the deregulation of the Western Australian Potato Marketing Board, which is a similar structure to what applied in the dairy industry. The domestic potato market is regulated - the supply, the time of the year the potato grower can plant and what is known as the delivery intent is regulated. The processing and export of potato chips is deregulated. Recently a Western Australian farmer sold 750 tonnes of potatoes through the regulated system for the domestic market for \$750 a tonne. He had also grown some export potatoes. However, because the export market has fallen flat, instead of exporting them, he decided to dump them on the local market. The media has picked that up and run with it. That is the wrong way to bring a matter to the attention of either the public or the Parliament of Western Australia. If farmers want to deregulate an industry, they must convince the government of the day to change the current legislation. They should not dump their surplus produce onto a colleague down the road and cause him to suffer. The potato grower in this case grows potatoes that are sold in pools one, two, three and four. If he wants them to be sold in pools five, six or seven, he should buy property in those pools. It is very simple. I wanted to put that on the record.

The dairy and potato industries have been part of the lifeblood of Western Australian communities, particularly those in the south west where 50 per cent of the state's potatoes are grown. Virgin karri forest would not have been cleared on the deregulated world market. That land was cleared on the back of a regulated potato and dairy industry. They are the facts. Members of the Labor Party can be free marketers and all the rest of it if they so chose. The philosophy of the Liberal Party tends to lean towards the free market. However, I remind members that under federal and state Liberal Party governments free market philosophies and regulations have applied to export wheat. Under the grain pool in this state, regulations have applied to prescribed grains, including oats, barley and canola. Regulations have applied also to pharmacies, liquor trading hours and general retail trading hours. Those regulations have survived over successive governments for generations. I am not saying that we should not move in some cases towards a freer market. However, if that is done, it should be done knowing full well what will be the impact on the farmers of a sudden move in prices. The current wheat market is a case in point. If the federal government decides to move very quickly to a deregulated system, only one group of people in the country will suffer: wheat farmers. As far as I am concerned, we should have either a regulated system or a deregulated system. Let us not have a mishmash system. Those points have been put very strongly to the federal Minister for Agriculture, Forestry and Fisheries and the Prime Minister.

I refer now to the timber industry and the government's old-growth policy. I have a newspaper clipping from the early days of the Gallop Labor government. As an aside, an article on the cover under the headline "Love stays strong after 75 years" is accompanied by a wonderful picture of an elderly couple enjoying a kiss. However, the relevant headline and accompanying article states "Timber cuts - 1000 workers will lose jobs, admits Gallop". That did occur. The government's policy at the time was to create a lot of new national parks, which I will talk about later. A huge number of jobs were to be created. Under the Labor Party's "protecting old-growth forests policy" 1 080 direct jobs were to be created in the plantation industry; 130 jobs were to be created in the Department of Conservation and Land Management and the Forest Products Commission; 30 jobs were to be created in the escalated jarrah and karri regrowth thinning program; and 850 direct jobs were to be created in the plantation industry, and that figure was expected to rise by more than 1 250 by 2008. There is no doubt that the plantation industry has grown. However, the government's forest policy has had a major impact in the south west. To their credit, coalition and Labor governments have come up with a package of some \$160 million to

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pay for contracts and to pay workers to begin new jobs. However, the majority of that money has left the district. The Minister for the Environment is asleep. If he were to travel to Manjimup and see the number of empty places there, he would see the impact of the government's old-growth policy. The district is climbing out of that problem and other sectors are improving, but they need help. At the time, the government said it would spend \$8.5 million on value adding the industry, but that has not come to fruition. The figure declined from \$8.5 million to \$4.5 million and is now down to three-fifths of five-eighths of bugger all.

I put to the government and to the Minister for the Environment, who is in the chamber, that the food processing industry is a vital industry that can be value added. The south west has clean water, air and soil, and it also has very secure seasons. It is rare for a major storm or flood to destroy crops in the south west. It is a safe area in which to grow food. The Safe Quality Food 200 standards and other new programs that are currently in place make certain that the food produced in the south west is safe. Also, Western Australian farmers are much better and are more qualified than they have ever been. The food processing company Bendotti Exporters Pty Ltd has taken over the site of the old Manjimup Canning Company and Edgell Birdseye, or Simplot Australia Pty Ltd. The current state government and the commonwealth government have assisted the company.

[Member's time extended.]

Mr P.D. OMODEI: The company owns a large, old asbestos building. For a measly \$500 000, the asbestos could be cleaned up and the food processing industry in that area could be expanded to include avocado and olive oil processing. That would be a very vibrant industry that could stand up in the international market. They are the types of industries that are needed to replace the timber industry.

The government made a great deal about spending \$8.5 million on the restructure of the timber industry. I will not embarrass the government by referring to all the press statements and major announcements that were made prior to the last election concerning what the government would do in the south west to value-add timber products. Recently the Minister for the Environment launched an icon project by announcing that the state would contribute \$2 million to it. The project, with an escalation of 35 per cent, will be worth \$4.3 million. The government should consider offering to give the three Shires of Bridgetown, Nannup and Manjimup \$3 million rather than \$2 million, and challenge the shires to cover the cost of escalation.

Mr M. McGowan: What about the federal government?

Mr P.D. OMODEI: Let me talk about the federal government. The Minister for the Environment is playing with people's lives, which is a very cynical exercise. If he wants to go down that path, he will hear a lot more from me. The minister knows full well that the Diamond Tree sky lift project required state funding. It was given federal funding but it fell over because of a lack of state funding. The state government has promised to provide \$2 million for the icon project, but the time frame set by the federal government has long since gone. I understand where the federal government is coming from. The state government must bite the bullet. The minister should bear in mind that he and his government promised that community \$8.5 million. The \$8.5 million is yet to see the light of day in that community, and everybody knows it. The minister can treat them with contempt if he likes.

Mr M. McGowan: The commonwealth government is giving them nothing.

Mr P.D. OMODEI: The commonwealth government has handed out a large amount of money. The minister should check the facts. The commonwealth government has provided most of the job creation funds. The state government has not provided enough money for that community. Having promised it, the government has reneged on its promises. It was this government that reconstructed the timber industry; it was a Labor government. The Labor Party was warned of the damage that would occur as a result of its old-growth policy. Since that decision was made, I have spoken to a number of ministers who have lamented that decision. It is similar to the way the dairy industry was deregulated. It was done with no thought given to the local community. Do not try me on that issue. The minister could champion and be proud of that project, just as he could be proud of the Walpole Treetop Walk, which was proposed by the previous coalition government when Richard Court was the Premier. He made a decision to allow the project to go ahead and it was up and running within 15 months. It is a world recognised project. The minister could do the same with very little effort. We have just heard the state's economy described as a four-on-the-floor, V8 and turbo-charged economy. The government has amassed a surplus of \$1 billion within six months. That is \$1 billion beyond what the experts in Treasury predicted it would be. The government has \$1 billion more in its coffers. That is one thousand million dollars, and it was acquired in just six months. The government has an opportunity to either retire debt or put that money into infrastructure projects.

That brings me to my next point. It now takes me four hours to travel from Manjimup to Perth. It used to take three and a half hours. That is because Main Roads, through its contractors, is doing some roadworks. What is it

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doing? It is constructing shoulders on the roads. Table drains and culverts must be installed and heavy work undertaken. A huge blasting contract has been undertaken at Hesters Hill. That part of the road is being done properly; at least we are getting a road with double lanes going up and down the hill. It is a very expensive project that needs to be undertaken, given that the railway line has been closed and more trucks are using the road. Rather than construct 10 kilometres of road shoulders, why not do five kilometres and give drivers an extra lane? I am not asking for two lanes coming and going; I am not being overly greedy. Drivers need three lanes so that there are passing lanes for large trucks, which make the roads safer. All the plant and equipment is there. The road is being widened by two and a half metres. Adding an additional two to three metres will provide another lane. It just defies logic. Every person I speak to in the south west just shakes his head. I travelled from Manjimup to Bunbury last week to attend a funeral. The trip took me over two hours. The trip normally takes one and a half hours. Why do we not do the job properly? Why not finish the dual carriageway on the coast road to make it safer? The previous coalition government did not sing from the treetops about the wonderful job it did with freeways, flyovers and the tunnel. Maybe it should have reminded the community a little bit more.

It is an absolute must to construct the Peel deviation for traffic travelling to the south west. It should be brought forward as quickly as possible. The dual carriageway on the South Western Highway to Bunbury should be finished. The road to Manjimup should be upgraded and should include Bussell Highway. They are not major projects. I would say that a couple of hundred million dollars out of the \$2 billion surplus that the state will have this year would fix the problem. The south west is a fast-growing area. It requires infrastructure. The member for Bunbury will tell members about the ring road. The member for Albany will tell members about the ring road required in Albany for the port facility. The port in Bunbury needs upgrading. The perimeter road in Margaret River is a disaster waiting to happen. The local shire has gone to the extent of talking to developers, who are prepared to pay for half the cost of the road. They should not have to do that. It is a \$15 million project. Its horizon is about six or seven years. We could have eight or 10 people killed by then. There is a huge pot of money in the state's coffers that should be spent on that project.

The situation is the same with the bypass in Bridgetown. At least that is on the program. There is dissension in the community; it is very difficult to resolve what should happen with this issue. What about the railway line south of Bridgetown? The railway line has been closed. How can there be an industrial site south of Bridgetown if there is no railway line? I recognise that it will cost \$40 million, and I am not saying that it should necessarily be upgraded; however, it should be assessed. People have to be convinced to use it if it is upgraded. The railway line could be fixed for \$40 million, and an industrial site could be built south of Bridgetown. The communities of Manjimup and Bridgetown would be able to feed that industrial site in the years to come, rather than rely on the City of Bunbury to be the provedore. That is how we grow communities; that is how we give security; that is how we get kids off the streets; and that is how we stop crime. We give people a job, that is how we do it.

The other issue I wanted to raise today is the Augusta marina. If the government wants to know anything about where to locate a marina at Augusta - bearing in mind that there is no safe port between Albany and Bunbury except at Flat Rock in Augusta - it should speak to Dr John Williams. He has spent a lifetime working as the local doctor. He is a sea captain and has an aircraft licence. He knows every single rock and reef in the area. The government should speak to him. I understand that the government has finally identified a site in the area. Why does it not just get on with it? Why does it make people suffer because they do not live in a marginal seat?

I advise the government of the following: before the last election the state government had two Labor seats and one Green seat in the south west, and after the election it had three seats and one Green seat in that area. I guarantee that if the government keeps going the way it is, it will certainly lose at least one of those seats. If it wants to govern properly in the state, it needs to have control of the upper house. If it loses control of the upper house, it will have a few problems. Just because the Assembly seat will be a conservative seat forever and a day, the government should not ignore the area. Membership in the area is very strong and conservative support is strong. I doubt whether the seat will change hands. However, I do not want to be too presumptuous. The seat should not have to be marginal to receive support from the government.

I will now refer to our police stations. The Manjimup, Bridgetown and Margaret River Police Stations are all in advanced stages of decay. The Manjimup Police Station has no wheelchair access for the disabled, no covered walkway into the station, no waiting area within the station, no general interview room other than for criminal interviews, no safety facilities for officers and staff, no overnight holding cells, and no facility to interface efficiently with the public. It has outgrown its usefulness. It also has white ant infestation. Tenders have been released for repairs to rafters and stumpage, worth between \$150 000 and \$250 000. It could be as high as \$400 000. Surely that is an obvious infrastructure project for which the government can urgently release tenders.

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It would keep builders and tradesmen in business. A new school has just been finished in Manjimup. Working on the police station would be an ideal project. If the government cannot find the money from the couple of billion dollars it has in surplus, why not try one of the Treasurer's favourite private-public partnerships in which the local community could own the building and lease it back to the government? It is a definite proposition. That could be done with all three police stations.

The populations in the towns are rising. An increasing number of families are moving into the Manjimup community. That is evidenced by the fact that there is an Aboriginal police liaison officer and an Aboriginal medical officer. At the same time, paint is peeling off the old hospital. A great deal of money is required for not only emergency health care, but also mental health services and for families at risk.

Lastly, let me raise again the issue of the Northcliffe Family Centre. This is the third or fourth time I have raised this. The community is small; it has about 800 people. There is a district high school and an excellent family centre. About 20 dedicated people work for little or no money at the centre. The community is very secure; there is no large incidence of domestic violence or any of the other social problems that occur in other towns. The reason is that there is a dedicated community. All that is required is approximately \$120 000 in recurrent funding to continue the service. In the end, the statistics will become evident. We should not allow the old chicken and egg situation to develop, in which there must be domestic violence, family breakdowns, suicides and drugs before government assistance is provided. If the program is working well in the community, why not support it now? After all, the government has a surplus of only \$1 billion in the first six months, which is likely to expand to \$2 billion above and beyond what was predicted by Treasury. A lot of things can be done in regional Western Australia. I put this government on notice that if it does not take seriously its responsibility to treat people in the state equally and fairly, it will have me to answer to for a long time to come.

MR A.P. O'GORMAN (Joondalup) [4.48 pm]: I congratulate the member for Willagee on becoming Premier. I commend him for stepping into the breach during such a sad time for the people of Western Australia, with the former Premier, Dr Geoff Gallop, having to step down for health reasons. I also commend Dr Gallop for his work as Premier and as the former Leader of the Opposition. He led the Australian Labor Party to a great victory in 2001. I commend him on the way he stood down by going public about his depressive illness. That act has prompted many people to come out of the woodwork and seek help for depression. That is particularly true for men in Dr Gallop's age group.

Is it not a great time to be in government as part of the Australian Labor Party in Western Australia in 2006? Since we came to government in 2001, we have been moving ahead in leaps and bounds. The comment has been made about four-on-the-floor and V8 economies, and we all know how that is affecting us. It is helping us all move forward and it is helping us to deliver infrastructure projects across the state, albeit that some of those infrastructure projects are not our pet projects, but they are moving the state forward.

I also congratulate the two new ministers: the member for Peel, who is now the Minister for Small Business, and the member for Mandurah, who is now the Minister for Community Development. I thank and congratulate the Minister for Community Development on his swift action recently when I brought to his notice some regulations which the department was introducing and which affected family day care. Once I had phoned the minister, I think it took him all of about 24 hours to convene a meeting and bring in the representatives from my area to talk with the department and with the minister himself. As a result, massive changes were made to those regulations overnight. That has helped the family day care industry in Western Australia no end by making the operators of family day care secure in their future employment.

I also congratulate the member for Cockburn, who is now the Minister for Energy. I have been in his ear quite strongly in the past few weeks since he became Minister for Energy, because a couple of suburbs in the Joondalup electorate are sadly in need of an electrical upgrade and undergrounding of power. They are primarily the coastal suburbs of Mullaloo and Kallaroo. Both of those suburbs are approximately 30 to 35 years old in the older parts; the newer parts are still developing. The newer parts have underground power; the older parts still have above-ground power and are suffering the effects of pole-top fires and deterioration of the system due to their proximity to the coast, with salt water and the coastal climate affecting the poles and causing fires and many outages. During the election campaign, I doorknocked both of those areas extensively. That is the number one issue that came through. People in those suburbs want underground power, because they want their electricity supply to be continuous and not interrupted by freak fires that occur occasionally.

I will mention Mullaloo. In this government's last term, deep sewerage was put in place there. From memory, that was the last area within the Joondalup electorate that needed deep sewerage. I am very happy with the program that went on there. There was some disruption throughout the suburb while that deep sewerage was going in, but it is now getting back to being a normal suburb to live in.

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In the past five years that I have been the member for Joondalup, Edith Cowan University has pushed strongly to make Joondalup its headquarters. Thankfully, when the current Premier, the member for Willagee, was Minister for Education and Training, we granted land in Churchlands to ECU so that it could subdivide it and fund its expansion into Joondalup. That has been a great boon for the northern suburbs, not only for Joondalup but also for your electorate of Wanneroo, Madam Deputy Speaker, and the member for Mindarie's electorate. It has been a great boon for our young people, and for some of the more mature students, to be able to study in the northern suburbs rather than have to go to Nedlands, Bentley or Murdoch. It has been a fantastic effort by ECU to do that. Not only is it moving its headquarters to the Joondalup campus, but also some fantastic Alzheimer's and information technology research is taking place there. The building that it is currently constructing is a health building. Once that is up and running in the next year or so, a lot more research into health and health assessments will occur in the Joondalup area. Already the university at Joondalup is doing research on families in the Joondalup area, similar to the Busselton project that has been running for many years and has provided huge amounts of information to health professionals so that they can plan for the future.

My electorate also has the West Coast TAFE, which has blossomed under this government. West Coast TAFE has taken its West Coast Academy of Hospitality and Tourism to Joondalup. I had lunch with the new director of that academy, Patrick O'Brien, last Friday, and he told me that the academy is at capacity. It has more than 700 students. It is now running courses on Saturdays. There are up to 60 overseas students at West Coast TAFE. I am not sure whether that is entirely in the hospitality and tourism section, but certainly a large number of students are coming from overseas into the hospitality and tourism section of West Coast TAFE. That is something that it could not achieve in previous years, and it is only the construction of the new facility that has allowed it to do that. That has caused a problem in itself in that, as I said, the facility is at capacity, and we will probably have to start looking at expanding that facility to cater for the demand in the northern suburbs for that type of training. The students who are benefiting from that come from all over the state. It is a pleasure to walk around Joondalup early in the morning and see lots of ochre-coloured jackets and know that they are hospitality students who are now in Joondalup but who would not have been there otherwise.

In conjunction with that, we have the Police Academy. It is now attracting overseas students. The City of Joondalup has a sister city relationship with the City of Jinan in China, and we are bringing some police officers from Jinan to Joondalup to do some of their training. That has been an initiative of the City of Joondalup and the City of Jinan, and it is working out very well for us. Indeed, hopefully in the future I will be able to go to Jinan and support the programs to bring more students to Joondalup to learn. The number of students at ECU, West Coast TAFE, the Police Academy and the Joondalup Health Campus, which has a number of nurses and junior doctors training, has caused a problem with parking around the central business district of the City of Joondalup. I am proud to say that one of my initiatives - it was not originally my idea; the idea had been around for a number of years - that was delivered by the Gallop government was the introduction of the central area transit bus service in the City of Joondalup. At the moment there is a 15-minute service, both clockwise and anticlockwise, through the CBD. One route runs straight to the university, West Coast TAFE, around Lakeside Drive, past the council offices, by the hospital and into the train station. The alternative route goes to the hospital first, through the CBD, past the council offices and through the university. It is a great service that runs from eight o'clock in the morning until six o'clock every evening. That was developed because ECU and the City of Joondalup, along with the state government, contributed a third each to the total cost of that service, which was about \$350 000. That has been operating very successfully since 9 January. I have lived in that area since 1981, and that CAT bus service has been on the cards, from memory, since about 1990. People had been saying, "We need it; we need it." We have delivered it. However, what have some of the local conservative people up there done? They have criticised it because it does not go far enough; that is, it does not serve their individual businesses in the business park or serve Arena Joondalup. We have managed to deliver the service that runs around the CBD and delivers to all the businesses in the CBD, the educational institutions and the council offices, and makes it possible for seniors in our community to access the hospital without having to walk about 900 metres. They can get on the bus and be delivered straight to the door of the hospital. I am really disappointed that another good initiative has been criticised by conservative people in the Joondalup electorate. On top of that, a regular bus service runs to the Arena. I think four bus routes actually pass right beside the Arena. To add another CAT bus would be to put in another service that probably would not be used because four services run there already. I am very proud of the central area transit bus in Joondalup, and I am very proud of the fact that within 18 months of the money first being put up, we delivered that service. I also thank Edith Cowan University, which was very supportive of the CAT bus. It came to the party soon after we floated the idea. It was running a shuttle bus to serve its needs, but rather than continuing to look after itself, it decided that the CBD of Joondalup would benefit from its input of a third of the cost of the CAT service. I thank the council, which also came to the party with a third of the cost. After reading recent newspaper articles, one would get the impression that the CAT bus was the council's idea and that it drove that idea. There has been very little

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mention of the fact that a working group was established - I was the chairman - to get the CAT service up and running. Regardless of that, the City of Joondalup contributed a third of the money and it is actively promoting the use of the CAT service. The Joondalup Health Campus contributed about \$5 000 towards the capital cost of installing bus stops around the central business district. It really was a community effort and there was a great cooperative spirit between ECU, the City of Joondalup, the health campus and the government in getting the CAT service off the ground.

I now refer to the deregulation of liquor licensing. Joondalup is a new suburb. Its residents do not have any means of purchasing alcohol on Sundays. Joondalup has many hotels. A number in the central business district do not have bottle shops. All bottle shops are closed on Sundays. People hosting barbecues on Sundays cannot purchase packaged alcohol anywhere beyond Ocean Reef Road. No hotel or pub beyond Ocean Reef Road services the electorate of Joondalup. I think that also applies in your electorate of Wanneroo, Madam Deputy Speaker, and also the electorate of Mindarie. I have been lobbied fairly heavily by the Australian Hotels Association. In fact, I have met with a number of hotel operators who argued why we should not deregulate liquor store trading on Sundays. I understand that across the state, the Liquor Stores Association is supporting that move. I know that liquor stores in the Joondalup electorate are also supportive of the measure. One or two liquor store owners have said that they would not open on a Sunday. However, we must give those owners the choice of opening. The problem with that measure is that, once again, we will have to deal with the large multinationals that are also in the liquor market, such as Coles Myer and Woolies. Hopefully the minister can find a way through in the same way that measures allowed small independent supermarket stores to open and promote small business in their area. I am not one to promote the excessive consumption of alcohol. Alcohol must be consumed in moderation. However, I do not believe that we are serving the best interests of the people of Western Australia if we do not deregulate the liquor licensing market. In the same vein, we would like to develop the central business district of Joondalup into an entertainment district along the lines of Subiaco so that people in the northern suburbs can go out and enjoy themselves any evening during the week and on Sunday afternoons. If liquor licensing rules for restaurants were deregulated, there would be a great incentive to develop more entertainment venues in the City of Joondalup. Joondalup is on the train line and is well serviced by buses. We could eliminate some of the traffic that is travelling in and out of Northbridge. Problems are caused when people overindulge and attempt to drive their cars back up the freeway. Many do not make it home. Joondalup must develop itself as an entertainment centre for the northern suburbs. I fully support the deregulation that is proposed in the Freemantle report; however, I urge caution because major retailers such as Coles and Woolworths will also be able to tap into the market.

Another issue I should refer to is the City of Joondalup council. We all know that the council has had its difficulties. An inquiry has been held and Commissioner McIntyre has handed down his report. I do not disagree with most of his findings. The report was well done and Commissioner McIntyre took the time and effort to delve into all the problems. He recommended that the council should have paid commissioners appointed by the government. That is a concept that most of us do not agree with. However, I do agree that we should have compulsory voting. We will probably miss an opportunity by not instilling a regime of compulsory voting at the City of Joondalup elections in May this year.

[Member's time extended.]

Mr A.P. O'GORMAN: That may have alleviated some of the problems because it is possible that if some of the same councillors get back into office, the council might head in the same direction. Adverse findings were made against Councillors Baker and Kimber because of the way they supported Mr Smith. In supporting him they cost the city a substantial amount of money in payouts. It is a shame that we had to go through that. The City of Joondalup was formed in 2000. By 2002-03, the council was suspended because of the actions of a small number of people. That is a great shame. The council now has the opportunity to reinvent itself and move forward. I hope that the people who were named and who were councillors decide not to run in the forthcoming elections. Rather than councillors being people who wish to promote themselves, I hope that the people who run for council will have the city and the people of Joondalup at their heart. I commend former mayor Don Carlos. He has been unfairly dealt with in the inquiry report. The people of Joondalup - I have picked this up during doorknocking and every day of the week when I am out and about in Joondalup - supported Don Carlos in his efforts to have Denis Smith removed. It was a very brave thing for a retired gentleman to do. He obviously has better things to do with his time than to chase people who tell lies to get themselves ahead in local government. Former mayor Don Carlos did a fantastic job in bringing the Smith affair to light. I commend him and pat him on the back for the way he managed to do that. I urge all residents of Joondalup to exercise their democratic right to vote at the 7 May council elections. We must ensure that Joondalup gets the best possible council. There are a couple of other things I should talk about, and one of those is the freeway extension. It was a major

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issue during the election. Unfortunately my opposition colleague decided to divide a suburb on this issue. Instead of working with all the people in the suburb, he circulated a lot of untruths in the community and caused many groups to fracture. I think that fracture will take a long time to heal. It was disgraceful the way my opposition colleague conducted his campaign. When we got the politics out of the way, members from all sections of Connolly came together with people from Joondalup, Currambine and Kinross for consultations in an attempt to get the freeway through. I am happy to say that the minister accepted the recommendations of that committee. The government has come to the fore and put up \$170 million to construct the freeway through to Burns Beach Road. It has caused some problems for my colleagues in Mindarie and Wanneroo because it has slowed down construction of the freeway. However, the slowing down of the delivery of the freeway has given us a better outcome. We can now work with the minister and Main Roads to bring forward the completion date. I am happy to do that. The height of the freeway will be lowered substantially through the suburb of Connolly. The people of Connolly will have substantial input into the construction of it. The first meeting on that will take place on Saturday at 9 o'clock in Joondalup.

Another of our promises during the election campaign was a community facility for Craigie. Some \$500 000 of the Department for Community Development budget was allocated to provide a facility in the City of Joondalup. The DCD recommended that Craigie be the preferred site because it was a large area of need. We have worked towards that. I thank the previous minister, the member for Thornlie, who delivered an extra \$390 000 for the purchase of land. Since that \$390 000 was allocated in the budget for the Craigie community facility, we have discovered that the City of Joondalup has an approximate 2 000 square metres of community purpose land at the rear of the Craigie shopping centre. We thought that a better idea might be for the City of Joondalup to act in partnership with us and we manage the use of that community purpose land, because with a peppercorn rent we could build a \$900 000 centre instead of a \$500 000 centre. However, the City of Joondalup, in its wisdom, has decided to charge us for it. I condemn it for that. It is a bad thing to do. The City of Joondalup should have got behind the people of Craigie and made sure that there was a real facility for those people in need in Craigie. I hope that when the council comes back and there are newly elected members, they will reconsider that decision and, hopefully, we can get a community facility for the people of Craigie. At 35 years old, Craigie is one of the oldest suburbs in the City of Joondalup, and it has been badly neglected. It probably has the only oval in the City of Joondalup that does not have proper parking facilities. When Saturday football or cricket is being played, the streets and footpaths around the area get clogged up with parked cars. The City of Joondalup needs to pay some attention to the area. We also need to look at undergrounding power in Craigie because of its age and proximity to the coast.

This government has delivered on a dental therapy clinic, which is currently under construction at the Joondalup Health Campus site. It will be a great boon for us in the northern suburbs. People will be able to access dental facilities in the northern suburbs without having to travel to the city or to Warwick. I would like to talk briefly about the Joondalup Health Campus. We now have in excess of \$120 million for the redevelopment of that health campus to eventually take it in the long term to a 600-bed tertiary hospital. It will be great for Joondalup and the fast growing region. The current hospital has an emergency department that caters for 48 000 presentations a year, which is nearly as many as Sir Charles Gairdner Hospital, yet its emergency department is about half the size and it has just over half the number of staff. I commend the staff of Joondalup Health Campus, particularly those in the emergency department, for the service they are providing in the northern suburbs.

Last year I chaired the Joondalup Health Campus fundraising ball committee. We raised just slightly under \$30 000 at the ball, which was a great feat for a group of people who had never done anything like that before. We managed to achieve that in our first run. We will be running another ball in the first week of September of this year. We will be seeking assistance from the cities of Wanneroo and Joondalup to sponsor it, along with some private sponsors, so that we can deliver some much needed equipment into the paediatric ward of the public side of the health campus.

I am proud to say that West Perth Football Club is now trading with the name Joondalup Falcons. It is being more readily accepted into the community of Joondalup and is now fairly well entrenched at the Arena Joondalup. It should take out another premiership soon. Since it has moved to Joondalup it has won three premierships, and we are hoping that there will be another premiership cup on the shelves at Joondalup fairly soon. The Arena Joondalup is developing as a major sporting facility in the northern suburbs. To assist in that the government promised during the election campaign a special event station. I understand that the Public Transport Authority is progressing that as we speak. We should see that special event station delivered in the next two years or so. It should be available for rock concerts and any major sporting events at Joondalup Arena.

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Private investment is coming into Joondalup in a big way. Just prior to the election campaign the Royal Automobile Club sought \$3 million from the government for car parking facilities so that it could move its major call centre to Joondalup. Again, we held the line and did not worry too much about it because we knew that one way or another it was viable for the RAC to be in Joondalup and that the government and the local council did not need to spend, or waste, \$3 million on providing additional car parking when the RAC was already intending to move there because it was economically viable for it to do so. My opposition candidate was quite willing to throw away \$3 million to see whether he could attract the RAC to the area, which was a wild way of again pushing money into marginal electorates to see whether the opposition might sneak a seat off us.

The Motor Industry Training Association of WA is currently looking at purchasing land in Joondalup from LandCorp. We are working very closely with LandCorp and the Minister for Education and Training to try to ensure that we deliver that training facility in Joondalup, which will have links with Edith Cowan University and the West Coast College of TAFE.

Much was said during the election campaign about whether I would win the election. A number of journalists on probably the Thursday or Friday before the election rang me and asked me what it was like to be a one-termer. I was pretty confident at the time because I had had a sneak preview of our polling position and I knew that I was fairly well ahead. I was quite confident that I would win. The conservative opposition in Joondalup ruthlessly pushed that story and used the Joondalup Business Association, along with many other organisations in Joondalup, unbeknown to them, to promote itself. It was a very bad way of campaigning, which I think backfired on the conservative opposition. The people of Joondalup would not accept that type of campaigning, along with using sports centre trust funds to promote a candidate. In the 2001 election it was said that I would probably not take the seat off Chris Baker, but we all know that I did. I won by a 0.75 per cent majority, which was not huge, but I was proud to be able to do it and take the majority to 3.3 per cent in the 2005 election. One of the things that always happens with the conservative opposition and the Liberal Party is that their own turn on them. The 2001 election did not avoid that happening. Terry Darby-Smith, one of the Liberal Party operatives in the northern suburbs, provided me with sealed information.

Several members interjected.

Mr A.P. O'GORMAN: They do not like the fact that they turn on themselves. He provided me with a sealed envelope informing me of the goings on of the Liberal Party local members in the northern suburbs and how they get stuck into each other. One of their own turned on them during the 2001 election and delivered information to me. I did not use it, I might add, because I do not operate in that way. I do not take dirt and use it. I advised Liberal Party members to be careful of their friend there, Terry Darby-Smith, because he worked for Wayne Smith and Chris Baker. He gave me the information on Chris Baker and told me what I needed to do if I wanted to win. I did not use that information and I would never use it. I have shredded it. Terry Darby-Smith turned on them.

MR J.H.D. DAY (Darling Range) [5.19 pm]: My intention in this debate is to make some comments about an issue that I believe is very important to all Western Australians; that is, how we can make the most of the current economic boom in this state and, in particular, ensure that some of the current benefits that are available to us are available not merely now or for the next few years but available for the long term, and, indeed, in perpetuity. There is no doubt that a great deal of good fortune is flowing around Western Australia at the moment, particularly in economic terms. The recently announced growth rate for 2005 was 10.4 per cent, the unemployment level is down to four per cent, real estate values increased by about 20 per cent in 2005 and there has been significant wages growth, particularly in the mining industry. That has produced its own problems in making labour much less available for other industries in this state, in particular the building and construction industry. Nevertheless, without the current state government having much to do with it, it is abundantly clear to everyone that overall we are currently in good economic times. Most of this is due to the increased demand for natural resources that are produced in this state, particularly the substantial increase in demand from China that has occurred in the past few years or so. This has occurred on the back of continuing demand from our longer-term markets, in particular Japan, which has been our major market in the past 20 or 30 years, and other countries including, among others, Korea, the United States and some countries in Europe. It is a very good time for the current state government to be in office. It is a very fortunate time for the current government, as it has enjoyed a substantial increase in the amount of revenue available to it. That has occurred due to a number of factors. The first is that the government increased the rate of state taxation in a number of areas after it came into office in 2001. In particular, during its first term in office it increased the rate of stamp duty on property transfers by 25 per cent. It then brought the rate back down by five per cent, giving a net increase of 20 per cent. There has, therefore, been a substantial increase in the rate of stamp duty on property transfers, and also motor vehicle purchases. Together with the increase in real estate values, those sources have compounded the increase

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in revenue available to the state government. The goods and services tax established by the federal government has also produced a greater amount of revenue for this state than was predicted; as has occurred right across the nation. It is ironic that the GST was strongly opposed in the political arena by the Labor Party at both federal and state levels and that now this state Labor government is benefiting to a significant extent from the courage that a Liberal government at the national level had to introduce a goods and services tax with the purpose of broadening the tax base across this country.

The third major source of increased revenue available to the government is the increase in royalties that is now being collected from the natural resources that are produced in this state. There has been an increase in demand for a broad range of natural resources that is being produced in this state. Using iron ore as an example, I am conscious that BHP Billiton Ltd and Rio Tinto Ltd are each currently doubling their output of iron ore production from this state to about 150 million tonnes per annum, and I understand that there are plans to increase it even further. Together with the increase in demand, there has also been an increase in the value on a per tonne basis of the raw materials produced in this state. Again in the case of iron ore, the price obtained per tonne has gone from about \$US25 up to about \$US40; that is, until I read this morning's paper and saw that the price has been up as far as \$64 or so in US dollar terms. There has, therefore, been a substantial increase for that reason as well.

Aside from mineral resources, we also have petroleum resources. Western Australians are now well aware of the significance of the North West Shelf gas deposits that are being produced and exported to countries such as Japan, Korea and China. There are hopes of exports to the west coast of the United States as well. The Gorgon field, which is likely to come into production soon, also will produce a significant increase in the revenue available, not necessarily directly to the state government but certainly on a national basis. That is estimated to be an \$11 billion project that is almost certain to go ahead. As an aside, I make the observation that at this stage, because the gas will be produced from waters that are within the national boundary but not within the state boundary, the federal government will obtain all the royalties from that project. However, it is up to this state to put the case very strongly to the federal government - for which there should be bipartisan support - that because of the responsibility that this state has in funding the infrastructure that is needed to cope with many of these projects, there should be a royalty-sharing agreement between the commonwealth and the state similar to that which was negotiated for the North West Shelf joint venture in the early 1980s. That is an important issue that must be dealt with by the state government and supported by the opposition.

In 2004-05 there was about \$28 billion worth of exports of natural resources from Western Australia. That was indeed a very large amount of export revenue. The third major increase in revenue available to the state government, therefore, came from an increase in royalties as a result of both the increase in demand and the increase in prices being achieved. In 2000-01 the total amount of royalties available to the state government was \$1.16 billion. In 2005-06, the current financial year, the midyear financial statements estimate it to be \$1.86 billion; that is a \$700 million increase per annum.

It is important that we all realise that these resources, which are currently producing substantial revenues to the state and the government, are all non-renewable and finite. I understand, based on current knowledge, that about 60 years worth of iron ore is left in the deposits. However, as large as those deposits may be, 60 years is still a finite term. All these resources have a finite quantity available to us. All that this does, in my view, is raise the question: should we retain some of these benefits for those who will follow us in future? In my view the answer is absolutely yes. In fact, this is an important moral issue for all current members of Parliament, and it will continue to be in the future. In my view it is unacceptable for us to continue to export more and more of these finite and non-renewable natural resources without making adequate provision for the future. Certainly the current good fortune available to many has been reflected in some share prices that have increased substantially in the past three or four years. For example, in the past couple of years or so Rio Tinto and Woodside Petroleum Ltd share prices have doubled, if not more. BHP Billiton's share price has not gone up as much, but nevertheless has moved significantly. Many other examples could also be given. What is important is that some of those benefits should be made available to those who will follow us and to the community in a more general sense.

I became particularly aware of this issue when I visited the Pilbara in August last year. The member for South Perth, who is present in the chamber, was travelling with me at the time. We had a very good visit to Port Hedland, Karratha, Dampier, Tom Price and Karijini National Park. Anybody who visits the Pilbara, or who visited in August last year, could not help but be struck by the enormous degree of expansion that is occurring there. The engineering works and other associated works that are being undertaken on the coast, at the ports and inland are enormous. We must realise also that this degree of activity will not last forever. My observations have led me to form the view that Western Australia should establish a fund on a long-term and perpetual basis from a portion of the royalties that are being produced so that income will be produced and those who follow us

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in the future will have access to some of the benefits that we are now enjoying that would not otherwise be available in the long term. This sort of proposal has been put into effect in other parts of the world. If it can be done elsewhere, I believe it can and should be done in Western Australia. In particular an investment fund of this nature has been established in the province of Alberta, Canada. It has also been done in Alaska, one of the states of the United States, and Norway. All those jurisdictions have a large amount of petroleum resources, as we do in Western Australia. However, we have a lot more than just petroleum. I am also conscious of the fact that the Middle East oil states have been making a large amount of money from oil and gas production in the past 40 or 50 years. However, many of the assets that have been created from the oil assets of those states are privately held in one way or another.

Last month I took the opportunity of visiting Edmonton in Alberta, Canada, to gain more information about the Alberta Heritage Savings Trust Fund, which was established in that province in the mid-1970s. During my visit to Edmonton on 1 February I was fortunate to have the opportunity to meet with Hon Shirley McClellan, MLA, the Deputy Premier and Minister of Finance, Mr Ron Liepert, MLA, who is chair of the Alberta Heritage Savings Trust Fund Standing Committee, Ms Gail Armitage, the executive director of policy and strategic planning in the Department of Finance, and Mr Doug Stratton, the director of fund management in the Department of Finance. I appreciate the time that they made available to meet with me.

To give members a bit of background, the fund had its genesis in 1975 when oil prices rose to what were relatively high levels at the time, which in turn increased substantially the amount of revenue that was available to the province of Alberta at that time. The then Premier of the province, Peter Lougheed, and the then government had a view that the province should use a proportion of those revenues to establish a savings fund. In December 1975 a bill to establish the Alberta Heritage Savings Trust Fund Act was introduced into the Parliament of the province of Alberta. The purpose of the bill was "to establish a fund to be set aside, and not spent, for future generations in this province, by way of investment, not expenditure". The bill lay on the table for a number of months, and it was reintroduced in 1976, when the following comment, amongst others, was made -

Whereas there is a limited supply of non-renewable resources and therefore revenues from the sale of those resources will ultimately be reduced; and that . . . the Legislature of Alberta considers it appropriate that a substantial portion of those revenues be set aside and invested for the benefit of the people of Alberta in the future years.

In my view that comment could also be made about what Western Australia should be doing at the moment. The fund was established in Alberta with an initial allocation of \$Can1.5 billion. For about the next 10 years or so, 30 per cent of the province's non-renewable resource revenue was transferred into the fund. When the fund was initially established, it had three divisions, each with a different purpose. The first division was established for the purpose of enabling investments in capital works projects in Alberta with economic or social benefits that would not by their nature provide a financial return, such as hospitals and roads. The second division was established for the purpose of making loans to the governments of Canada or the other provinces. For a period of time Alberta did make loans to other provinces in Canada. I understand those loans have now been repaid. The third division was established for the purpose of making investments that would provide a reasonable financial return. After a period of time the proportion of non-renewable resource revenue that was to be transferred was changed to 15 per cent. By the mid-1980s oil prices had dropped substantially, and in 1987 the decision was made to suspend the transfer of resource revenues into the fund. At that time the fund had a capital value of about \$Can12 billion. That is still the approximate value of the fund, because a decision was made not to transfer additional funds into the trust fund, and that all the revenue that was available would be used for public purposes within the province. A decision has been made recently to inflation-proof the fund so that it will grow in value in absolute terms, or maintain its real value in future years. I understand that there may also be some discussion about further increasing the value of the fund.

It is pertinent to observe that about 10 years ago, when the provincial debt was \$Can12 billion, or about the same value as the moneys in the fund, there was public discussion about whether the value of the fund should be realised and used to repay that debt. However, the clear public response was that the moneys should be retained in the fund, because it has become an important part of the thinking of the residents of Alberta, and its purposes are very much supported by the overall population. In 1996, following public consultation, a change was made to the purposes of the fund so that, as from 2006, it would have the objective of maximising long-term financial returns. Therefore, progressive changes have been made to the purposes of the fund over the past decade, and it now focuses on ensuring that reasonable financial returns are made for the purposes of the province, rather than on making non-economic investments. In round figures the fund had 32 per cent of its assets in fixed-income investments as at September of last year, and about 51 per cent of its assets in equity investments, including non-

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North American investments, some of which are Australian equity investments. According to my calculations the fund currently has about \$100 million-worth of investments in Australian companies. Real estate accounts for about 10 per cent of that investment, and there are also some other smaller categories. I have outlined that information because I believe that is the sort of decision this state should be making. At the very least there should be public discussion about these sorts of issues.

[Member's time extended.]

Mr J.H.D. DAY: In my view the time is right, in the current economic circumstances in this state, to establish a state-owned investment fund similar to that which exists in Alberta. As I mentioned earlier, funds that are similar, but of a larger size, already exist in Norway and Alaska. The Alaskan fund is known as the Alaska Permanent Fund, and it currently has a value of about \$US34 billion. The Norwegian fund was known until recently as the Government Petroleum Fund. It is now known as the Government Pension Fund. It is far larger than the Alaskan fund, with a value of about \$US210 billion. It is a substantial fund indeed. I have no doubt that it would take us a long time to get to anywhere near the size of that fund. However, we need to make a start.

Two very important reasons can be put forward as to why we need to set up such a fund in this state. The first is to ensure that we leave a legacy so that future generations of Western Australians can enjoy some of the benefits of the assets that are available to us now. The second is that we need to impose a degree of discipline in the expenditure of state revenue that does not otherwise exist. In other words, we need to have an enforced savings plan for this state. I want to refer to something known as Dutch disease. I do not think this exists in anything like its pure form in Western Australia, but it is worth making the observation. Dutch disease is best described as a phenomenon that causes the deindustrialisation of a nation's economy. It occurs when the discovery and exploitation of natural resources raises the value of the nation's currency, thus making manufactured goods less competitive with those of other nations, and thereby increasing exports and decreasing non-resource exports. This state is, of course, part of the Australian economy. We do not have our own currency, and we do not have a large manufacturing base in relative terms, so this certainly does not apply in a pure sense. However, I believe such a situation is developing. I am glad the Treasurer is listening to this debate, because this is a matter that he certainly needs to consider. Unfortunately, a situation is developing in this state in which it is too easy for the government to obtain revenue, and it is therefore too easy for the government to spend that revenue. That is creating pressures that are coming through in a range of areas at the moment. The Treasurer might find it surprising for an opposition member to say that but, as a member of the Western Australian Parliament and the Western Australian community, I think we need to recognise that. If the Treasurer had listened to my earlier comments, he would have heard me say that we need to ensure that some of these benefits are put aside for the long term for those who will follow us.

Mr E.S. Ripper: I am interested in your comments. I think there are a couple of issues. Yes, when people see that times are good, pressures for spending grow. We all have our part to play in that debate - the opposition, community groups and the government. The second issue that worries me is that people can get complacent about the need for economic reform. We still have to keep on with economic reform. The third issue is that the surplus is, in fact, our future fund. We are spending the surplus on infrastructure. It is incumbent on us to spend that wisely.

Mr J.H.D. DAY: I agree with most of the points the Treasurer has just made. However, in relation to the surplus, he is implicitly referring to the issue of state debt. I agree that that is an important issue. It is important that we focus on reducing state debt to the lowest possible level as, incidentally - I forgot to mention it earlier - was done in Alberta in the 1990s when provincial debt got to a high level of about \$23 billion or so. Its focus was on repaying provincial debt, which has now occurred, rather than on growing the fund, and, as I have said, it is now inflation-proofing its fund.

In Western Australia we need to focus on debt levels as well. However, I understand that most of the debt in the overall government sector is held by trading entities such as Western Power and the Water Corporation, which one would expect to have a degree of borrowings to fund their expansions, given that most of those borrowings will be met by revenue that will be produced. It would be desirable to eliminate that debt, and that should be focused on as well. In my view, we can do both things. According to the government's midyear financial statements, the general government sector is forecast to be in surplus at the end of this financial year; that is what the Treasurer's statements indicate. The Treasurer's comment about the surplus being invested in infrastructure at the moment and its effectively being our future fund is true to an extent. However, a lot of the projects being invested in and the construction taking place at the moment might have a 20 or 30-year life span; some things might have an even longer life span. We need to look longer into the future. We need to look 50 or 100 years into the future, when a lot of these natural resources simply will not be available to those who live in the state at

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that time. The infrastructure that is being built at the moment will not necessarily be relevant or in good condition in 50 or 100 years. We need to establish a perpetual fund that not only meets the needs of today or those in the next 10 or 20 years, but also helps meet - it does not entirely deal with - the needs of those who will live in the state in the much longer term.

Another point about debt is that it can be repaid, and governments can borrow again. Debt can go down and up. Once it is repaid, it should not go up again. That is the ideal situation, but the temptation will no doubt be there for future governments to borrow more. If a perpetual investment fund were established, there would be a very strong degree of discipline, because a public outcry would occur if the government started dipping into the capital value of that fund simply to borrow for short-term needs. That is the debate we need to have. That is the sort of thinking that will develop. It has certainly developed in Alberta. I am sure that the same sort of thinking exists in Alaska and Norway, although I do not have the direct experience of this that I have from my visit to Alberta last month. We need to develop the same sort of thinking in this state.

I was describing Dutch disease. I have not mentioned that I understand that it was first observed in the Netherlands in the 1960s, following exploitation of the North Sea natural gas. There is also a view that it existed back in the 1630s, when there was an over-reliance on tulip exports from the Netherlands. The important point is that if an economy becomes too dependent on one sector and there is a downturn or the resources are no longer available, there is a very negative impact on the economy and the community in that jurisdiction.

We should have public discussions about these issues, and I hope that my comments will help generate that. My suggestion is that 10 per cent of royalty revenue from non-renewable resources should be transferred into a fund similar to that which has been established in Alberta and elsewhere. That would start off in a modest way. About \$1.9 billion of royalty revenue will be available to the state in this financial year. Ten per cent of that would be \$190 million. That would be an appropriate way to start. If the government has the courage and wants to make the decision - it is a question of its priorities - it could also invest, say, \$500 million of the current year's surplus as seed capital to help get things going. These are the sorts of issues which could be debated and about which decisions would need to be made. However, the important point is that we make a start somewhere and that we grow such a fund in a substantial way for the long term.

Mr E.S. Ripper: I know that you do not have much time, but the issue is that we are not covering our capital investment from the surplus of the current expenditure. Debt is still forecast to increase. You cannot establish a future fund and a positive financial asset if your negative asset - your debt - is still growing.

Mr J.H.D. DAY: Maybe the Treasurer is spending too much at the moment. It is a mistake to be spending at high levels at the moment, at the expense of ensuring that some assets and resources are available in the long term for those who will follow us. It would also be a mistake to lower state taxation at the expense of saving for the future.

Mr E.S. Ripper: Can you repeat that?

Mr J.H.D. DAY: It would be a mistake to lower state taxation at the expense of saving for the future. I think that both can be done, because the government has so much money flowing in at the moment. The Treasurer has a billion dollar surplus for the first half of the financial year. Presumably, it will be about double that for the entire financial year, so he has a lot of room to move one way or the other.

Mr R.C. Kucera: However, you can't have the penny and the bun.

Mr J.H.D. DAY: I am not seeking to. I am just addressing the issue. There certainly should be debate about the purposes of such a fund. My clear preference is for an approach to be adopted similar to that which has been adopted in Alberta in more recent times - namely, one with the intention of maximising long-term returns - rather than making uneconomic investments. It would also be desirable to consider restricting the income from such a fund to the state's two major responsibilities; namely, education and health care. However, that is something about which there could also be community discussion.

To summarise, I think there is a strong need to establish a culture and a mentality in Western Australia of putting something aside for the future. That is not being done in anywhere near an adequate sense at the moment. In my view, we have a moral responsibility to our descendants to do so. If Alberta, Alaska and Norway can do it, so can we. This is an issue about which there should be public discussion, and I very much encourage that to occur.

MR J.B. D'ORAZIO (Ballajura - Minister for Police and Emergency Services) [5.47 pm]: I stand to speak to the motion, but I also want to use this process to make a personal explanation. After question time today, I was approached by *The West Australian* with a series of questions about superannuation payments made by my

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former business. I note this followed a question asked during question time by the Leader of the Opposition on a related matter. I now seek to make a personal explanation to the house.

I have operated pharmacy businesses for almost 30 years, and I firmly believe that employees should receive all payments to which they are entitled. In addition, I have always paid bonuses. When I became a member of Parliament, I handed the day-to-day running of the pharmacy to a manager. I state, however, that I was still ultimately responsible for the business. Last year I decided to sell the business. It was during this sale process that I became clearly aware that there were anomalies in staff superannuation payments over the previous two to three years. Some were paid correctly, some were underpaid and others were overpaid, and payments were not made for some employees for whom information was inadequate. I immediately instructed my accountant to check every payment over this period and correct these anomalies. This was done in November 2005, and payments were then made and the Australian Taxation Office advised. The ATO advised that any late payments could not be made directly to the employees' fund and that I would have to complete a superannuation guarantee levy summary for all payments. This meant that I had to pay superannuation based on total wages, plus interest and penalties, rather than on ordinary time earnings. This is a normal ATO process that I am told affects many Western Australian businesses each year. As a result, I have had to request refunds from the employees' fund so that these could be paid directly to the ATO. Some have not been able to be retrieved, including some overpayments. I understand that, under the ATO requirements, any payments that are in error or are not made attract a penalty plus interest. These have been assessed, and on receipt of the assessments, I will pay them in full. No staff members missed out on their full superannuation entitlements. I am the person who initiated this process, and the only person who will suffer financially because of these anomalies is me. This is a good example of what happens when one tries to run a business by remote control, and it is one of the reasons I sold the business in December 2005.

MR M.P. WHITELEY (Bassendean) [5.51 pm]: Although I have phoned the former Premier, Geoff Gallop, this is the first opportunity I have had to publicly thank him. Geoff made an extraordinary contribution to Western Australia and to the Labor Party. He took over the leadership of the Labor Party when, frankly, the party was on its knees. He stopped a train wreck in the 1996 election, and he delivered us into government in 2001. In government Geoff made his greatest contribution to the state and the party. He is a man of great integrity and intelligence, and a stickler for proper due process. Over five years he led a good, responsible, scandal-free government with a great track record for responsible financial management and significant but cautious reform. Those two great qualities of integrity and intellect reflect Geoff's personality. I owe him a special debt of gratitude because, without his intervention in 2004, I would not be here. Geoff showed faith in me and I will make sure that that faith was well placed and that his decision to back me during a very difficult process is vindicated.

The ACTING SPEAKER (Dr S.C. Thomas): There are too many conversations going on in the chamber at the moment, and I am having difficulty hearing the member. Can members please take their conversations outside if there is an issue.

Mr M.P. WHITELEY: Geoff made a great contribution to the state, and I personally I owe him a great debt of gratitude. I also congratulate the member for Willagee on being elected leader of the Labor Party and Premier. The Premier and I both joined the Labor Party at about the same time in 1996, although I had been a member, briefly, in the 1980s. At one of my very first meetings, the present Premier addressed members of the Fremantle branch. One of the great strengths of the member for Willagee is that he is beholden to no-one; he is his own man. He has only one tribe in this place; that tribe is the Labor Party, and that is a great strength. He owes no favours to any man or woman. It is a very exciting time to be a member of the government. The Premier and Geoff Gallop are very different characters and both bring a different flavour to government, which we saw today in question time, but they do share two great qualities - those of intellect and integrity. I am sure that the Premier will make sure that we continue to be a responsible and effective government.

I also take this opportunity to thank the former Minister for the Environment, the member for Maylands. She was an extremely effective minister, not just in the management of green iconic issues, such as old-growth forests and Ningaloo Reef, but also in managing some of the brown environmental issues, such as waste management and contaminated sites. I congratulate her for her contribution, and I look forward to her continuing contribution to this Parliament and also to our region. Her electorate borders mine, and I look forward to working very closely with her as a backbencher over the coming term.

I will touch briefly on a couple of issues I discussed in my first speech as the member for Bassendean. Obviously, it was not my inaugural speech, but my first as the member for Bassendean. The issues are those of the Pyrtton site, the Kiara bushland and the future of Ashfield. So that I do not forget to do it at the time, I will

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state now that I think Ashfield has a very bright future, so much so that I bought an investment property there last week. It is a great part of the world and it has a great future. I wanted to get that out onto the public record before I make any comments about Ashfield and what should be done there, so that there can be no confusion about conflicts of interest. In fact, this is not a conflict of interest, it is a confluence of interest between me and my constituency.

I will begin by talking about Pyrton. In my speech last March I said that I had set myself a two-year time frame to get the Pyrton site looking something like it should. Pyrton provides a tremendous opportunity for the establishment of a mini-Kings Park near the river in Bassendean, Eden Hill and Lockridge. The government went into the last election with a commitment to deliver at least what was outlined in the Pyrton draft structure plan, which stated that 82 per cent of the site would be public open space, and a maximum of 14 per cent would be for housing. Through a mechanism that we have been working on over the past year, we might actually be able to over-deliver on that promise and see even more of the site being used for public open space. That is a great result, and I am looking forward to having something more concrete to say about it in the next few months. It was a site of some controversy, because of the plans of the Liberal Party to turn it into a women's prison. Some four days before the last state election, the Liberal Party changed its position, and the then leader of the opposition indicated that Pyrton would not become a women's prison. However, until that point, it had been Liberal Party policy to do that. I was keen to follow up on the promise sought by Clive Brown during his time as the member for Bassendean; that is, that the majority of Pyrton be turned into parkland. I am keen to over-deliver on that promise, and I am hopeful that almost all the site will become parkland.

The Kiara bushland site is a small pocket of urban bushland adjacent to the new Kiara Police Station. Planning is proceeding on that site, which has been zoned for public purposes and is owned by the Department of Housing and Works. I am keen for the future of the Kiara site to be resolved in a way that satisfies most community concerns. I would like a significant pocket of urban bushland to be retained - as much as can possibly be allowed for - but I am cognisant of the need to return money to the Department of Housing and Works so that it can provide adequate public housing.

The other issue I want to talk about is Ashfield and its future. Ashfield is a riverside suburb some nine kilometres from the Perth central business district. Travelling from Perth along Guildford Road, Ashfield is the suburb immediately to the right after passing under the Tonkin Highway overpass. It is a suburb that has not reached its full potential. There is a mix of some industrial and commercial land, but the majority of the land is urban residential. It has a very high level of public housing - about 22 per cent - although Homeswest is in the process of selling off six or seven properties in the area. That is not consistent with the Homeswest policy of one house in nine, or about 12 per cent public housing. There are two ways in which this needs to be addressed. The first is obviously that the stock of public housing in the area must be reduced. However, if the total stock of housing in the area can be increased by utilising the inherent value of the area, Ashfield will have a better and brighter future. The Homeswest policy of one in nine is very sensible - it ensures that there is a mix throughout urban Perth and avoids the suburbs being dominated by one particular type of residence. I am keen to progress that process. There are some tremendous opportunities. The Minister for Planning and Infrastructure has been to Ashfield with me and had a look around the area. There are some great assets, including the Ashfield Flats, a significant wetland area; the parkland around Cyril Jackson High School; and the high school itself, which is looking a bit tired but does a fantastic job as a second chance college. Of course, the state government, through the Department of Housing and Works, is a significant landholder in the area, all of which makes it a relatively easy urban renewal project, because as such a major stakeholder, the state government has the opportunity to really get some great things happening in Ashfield. I am sure that we will see in Ashfield the sort of results that many of the locals are looking forward to.

I also want to discuss my favourite topic. It will not surprise anybody to hear that I am going to talk about ADHD again. It did not get a lot of publicity in Western Australia, which is unfortunate, but on 9 February 2006 a major breakthrough - probably the most major breakthrough so far - occurred in the ADHD debate. The United States Food and Drug Administration drug safety advisory panel, which is made up of 16 drug safety experts, basically met to review recent scientific research and findings on the safety of ADHD drugs. Their agenda was to further investigate the safety of ADHD drugs, but they took the extraordinary step of not waiting for further studies. They said that, on the basis of available evidence, there was enough concern about ADHD drugs and that they wanted labelling changes. The advisory panel voted unanimously on the content of the labelling changes, particularly in regard to strokes, heart attacks and adverse cardiovascular events such as death, but there was a majority vote - eight to seven, with one abstention - to place the strongest black box warning on all ADHD stimulant drugs. Black box warnings, which are the highest level of safety warnings, had been placed on individual ADHD drugs previously - I will talk a bit about those later - but this vote applies to the whole class of ADHD stimulant drugs, including the dexamphetamines, methylphenidate or any of the other derivatives. It

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covered the entire class of ADHD stimulant drugs. It was an unusual move and it went beyond the agenda of that body. I was expecting the drug advisory panel to take a baby step, but it took a great leap forward. One of the panel members, Henri Mannasse Jr, who is a PhD - I will not go through his qualifications; the advisory panel members are all eminent - said of the black box warning -

“I think the only way we’re going to get the attention of the medical community and the pharmacy community . . . is through the black box warning” . . .

Basically he said that anything else was going to be ignored.

Another committee member, Arthur Levin, another eminent drug safety expert, said -

“For us to sit around and talk about it and for us to not make a very strong warning about the uncertainty of these drugs and their possible risks would be unethical” . . .

That is a very strong statement. Of course, the black box warnings related to adverse cardiovascular events.

The raw evidence that they were looking at was evidence that people - both children and adults - taking ADHD drugs were roughly four times more likely to have a heart attack and about two and a half times more likely to have a stroke than people who were not using the drugs. One of the other drug experts, a cardiologist, Dr Steven Nissen, was very strong on it. He said -

“This is out-of-control use of drugs that have profound cardiovascular consequences.” . . . “We have got a potential public health crisis. I think patients and families need to be made aware of these concerns.”

He was talking about prescribers at this stage when he also said -

“I want to cause people’s hands to tremble a little bit before they write that [prescription]. The only way I know how to do that is to put it in a black box.”

They put a black box warning on it. Another panel member, Thomas Fleming, who is a biostatistician at the University of Washington, suggested that the risk of heart attack and adverse cardiovascular events from the use of ADHD drugs might be comparable to those of Vioxx, which was actually removed from the market. This was a very significant warning and one that went far beyond what I was expecting. As I said, I was expecting a baby step but it was a giant leap forward. Unfortunately, despite the fact that I was greatly excited about this warning, I could not get the good people of *The West Australian* terribly excited about it. This tiny article, headed “ADHD drug risk raised”, was the only coverage in *The West* and it was very brief - I have not counted the number of words but it is not a lot more than 100 - despite the fact that it was a significant breakthrough. I consider it to be a most significant breakthrough. *The West Australian*, however, did publish a story on its front page entitled “Taxpayers kick-in for MP’s trip to Scientology museum”. It made the front page on 3 January 2006, and reads -

Taxpayers have helped pay for a trip by a State Labor MP to the US where he spoke at the opening of a Church of Scientology-backed museum established to attack psychiatry.

It was on the front page and the newspaper got it incredibly wrong. The taxpayers of Western Australia did not pay a cent for that trip.

Mr J.J.M. Bowler: *The West* got it wrong?

Mr M.P. WHITELY: Yes, *The West* got it wrong. Surprise, surprise! It did get this other article right, this tiny one about the great significant breakthrough by the USFDA advisory panel. The trip was entirely paid for by the Citizens Commission on Human Rights. It paid for five days’ accommodation as well. The only claim I made on the public purse was when I was in Los Angeles and I decided to take a train to San Diego to meet with Dr Fred Boughman, who is known to you, Mr Acting Speaker. He is an eminent neurologist and an ally of mine in our campaign to highlight concerns about ADHD and its science. The total claim was for the three days I met with Dr Boughman. I stayed there for four. I did not claim for the day I did not meet with Dr Boughman. We went through a lot of the breakthroughs that have been occurring. The years of 2005 and 2006 were very busy years on this issue. I claimed a total of \$1 309; that is, living costs of \$400 a day, totalling \$1 200, plus \$109 in train fares.

The article in *The West* was erroneous. The next day I was attacked in the paper by my friends at LADS. I am sorry; I am not supposed to use irony. The people at LADS labelled the trip a waste of time. The following day I challenged LADS. I said that I did not consider it to be a waste of time, considering that and the other great work that was done in terms of the contact I made with the Oregon State University, which I will talk about briefly in a moment. I issued a challenge to LADS. I said there were eight dot points in the article and if they

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could prove me wrong on any one of those, I would resign from the Parliament. I do not know if anybody read it. It died an absolute death because the eight points are irrefutable. The article lists the eight points as follows -

- Diagnosis of ADHD is entirely based on observations of a child's behaviour.
- The behaviours used to diagnose it are all normal childhood behaviours.
- The chances of a child being drugged for ADHD depend heavily on the attitude and subjective judgment of the clinician that they see.
- Taken orally in low doses, psycho stimulants will temporarily sharpen focus in most people regardless of whether or not they are diagnosed with ADHD.
- There is no credible scientific proof of improved long-term education outcomes from sustained ADHD drug use.
- Dexamphetamine and Ritalin are drugs of addiction.
- ADHD drugs have potentially serious side-effects ranging from common effects like insomnia, loss of appetite and headaches through to retarded growth and in rare -

I actually said "very rare" -

cases death.

- ADHD drugs like Dexamphetamine are frequently abused.

There is the challenge. The challenge remains. If those eight statements are taken in totality, along with the unwillingness of my critics to debate those issues but to engage in name calling, members will see the paucity of their arguments.

[Member's time extended.]

Mr M.P. WHITELY: The ADHD industry had a shocking start to 2006, starting with the 9 February deliberations of the Drug Safety Advisory Panel of the USFDA. It followed on from an incredibly bad year in 2005. On 13 September 2005, the Oregon State University published its drug effectiveness review project. I do not think I have talked about it in the house yet. Basically, the university held a literature review on more than 2 000 articles that had been published on ADHD. Its task was to determine the most effective drugs for the treatment of ADHD. It was given the task by a collection of 14 states in the United States on the basis that a lot of money was being spent on ADHD drugs and the university wanted to know which ones were the best, so it sought a review into the effectiveness of the ADHD drugs. A 731-page report was produced, of which I have a copy, that analysed 2 287 studies. Its conclusions were alarming because it found as follows -

- "No evidence on long-term safety of drugs used to treat ADHD in young children" or adolescents.
- "Good quality evidence . . . is lacking" that ADHD drugs improve "global academic performance, consequences of risky behaviours, social achievements" and other measures.
- Safety evidence is of "poor quality," including research into the possibility that some ADHD drugs could stunt growth, one of the greatest concerns of parents.
- Evidence that ADHD drugs helps adults "is not compelling," nor is the evidence that one drug "is more tolerable than another."
- The way the drugs work is, in most cases, not well understood.

Those were some of the points the study placed on the record. I contacted one of the people involved in the study and he shared a couple of other points with me off the record, which I will now put on the record because of the seriousness of this issue. The university had become alarmed at the amount of influence the US drug companies had on the research. The US drug companies were responsible for the vast majority of research recorded in the 2 287 papers used to validate the argument that ADHD is a biochemical brain imbalance and that drugs are a safe and effective treatment. The people I contacted at the university told me off the record that they were greatly concerned about the influence of the drug companies.

It is a huge issue here in Western Australia because the rates of chemical use are high. It is an even greater issue in the United States because about two and a half million children are on ADHD drugs. I believe about 1.5 million adults are also on medication. That was another bad outcome for the ADHD industry in 2005.

On 30 June 2005 US Food and Drug Administration warnings were issued about psychiatric and cardiovascular adverse events for methylphenidate products. Ironically, that warning from the USFDA came out about four

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weeks before the commonwealth government placed Ritalin on the pharmaceutical benefits scheme, which seemed to fly in the face of the warning. On 28 February 2005 a study showed that methylphenidate was linked to chromosomal changes. It was a small-scale, well-done study that examined chromosomal changes in 12 children over three months. It found that for all 12 children, the level of chromosomal abnormalities increased threefold after they had been medicated. In late 2004 a warning was issued about liver damage caused by Strattera, the non-stimulant drug. In September 2005 a black-box warning was issued directly in relation to Strattera because of its potential for causing suicidal ideation. The year 2005 was not a good year for the ADHD drug industry and 2006 has started off even worse. I think that is a great thing.

Some changes have been made in Western Australia. Another change about which *The West Australian* chose to give little publicity - it wrote an even smaller article than the one I have here - came from one of the recommendations of the 2004 parliamentary inquiry on ADHD. The recommendation was that repeat scripts for all schedule 8 drugs - not just ADHD drugs but all drugs of addiction that have a high propensity to be abused - be left with the one pharmacist to fill the scripts on a timely basis. That was considered to be a great step sponsored by Lynette Mullin and other significant players among professional pharmacists and was applauded by all. They want to limit the diversion of ADHD and other drugs. As I said, it applies to not only ADHD drugs but all drugs, and it did not create a lot of publicity in *The West Australian*; nonetheless, much public good has come of it.

Another piece of evidence that came to light two days ago about dexamphetamine scripts was from the federal Health Insurance Commission. The figures indicate the number of dexamphetamine scripts that were issued by age groups in the various states of Australia. Dexamphetamine is the most commonly prescribed ADHD drug. Until late last year it was the only ADHD drug on the pharmaceutical benefits scheme. I am pleased that while the level of ADHD dexamphetamine scripts in Western Australia has remained relatively constant - in fact it increased slightly between 2002 and 2004 - there has been a significant drop in the number of young children being prescribed dexamphetamine. I am not surprised by that because the marketing of adult ADHD has been very intense and very heavy over the past three or four years. I am not surprised in the increase in adult ADHD drugging rates, but I am very happy to see that there was a 31 per cent decrease in the number of scripts written for children 10 and younger and a 10 per cent decrease in the 11 to 20 age bracket. I suspect if that were isolated to the 11 to 18 and 18 to 20 brackets, when the child leaves the care of a paediatrician and goes on to see an adult psychologist, that figure would be more impressive. Nonetheless, there is movement in the right direction.

One of the reasons I was asked to speak in the United States was that apart from North America, Western Australia has had the highest rates of ADHD prescription drugs in the world. On the basis of the evidence that is emerging, we are the only place in the world that has had such high rates and has then witnessed a significant downturn in child drugging rates. I had seen the data from other sources, but it was not confirmed until two days ago and I am rapt to see that between 2002 and 2004 there was a 31 per cent decrease in the level of scripts of dexamphetamine written for children 10 and under. That decrease was not the result of substitution with Ritalin, because it did not go on the PBS until the middle of last year, 2005. The only thing to which I can attribute the decrease is the stimulant notification regime that was put in place by the former Minister for Health, the member for Yokine. You, Mr Acting Speaker (Mr P.W. Andrews), the member for Yokine and I launched that policy at the Armadale Health Service in late 2002 and it came into effect in September 2003. I think that was the catalyst for the downturn in drugging rates. The light that was thrown on the issue through the deliberations of the ADHD inquiry and the publicity and concern that it generated was also a bit of a catalyst for that downturn.

I will use the time remaining to me to clarify my position on ADHD. I have changed my position somewhat. I did argue that ADHD is overdiagnosed and overprescribed. I acknowledge that there is a possibility that some children and adults may have a genetically predetermined biochemical brain imbalance. However, there is no evidence to confirm that except that when people are prescribed the drugs, they seem to improve. Papers have been produced since as early as 1980 that show that the behaviour in terms of attentiveness of anyone on drugs improves when they are prescribed drugs. There is no objective way to determine the diagnosis. The science that hangs around that diagnosis is incredibly shaky, as is the science that supports the effectiveness of the drugs which was demonstrated by the Oregon study. While a tiny number of children and adults may have a biochemical brain imbalance, when it cannot be identified, it is an awfully big assumption to make. In fact, it is an assumption that constitutes ADHD as being a fraud.

I now say ADHD is a fraud - this is how my position has changed - not because kids do not have real things going on in their lives, but simply because the bar for diagnosing the condition is far too low. Insufficient evidence is available to diagnose it. That is one element of the fraud. The ADHD industry is a fraud because of what was uncovered by the Oregon study and what has been revealed by the United States Food and Drug Administration. The science that underlies ADHD studies is flawed. The studies are sponsored by and the

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scientists are beneficiaries of the drug companies. Hence, ADHD fails the legitimacy test. It fails also the commonsense test. That is not to say that there may not be a condition that exists in extreme cases which causes hyperactivity and impulsivity and which may benefit from the use of prescribed drugs. However, the evidence is not in. The evidence is that these drugs are dangerous. The balance between risk and reward is way out of kilter.

I have a different perspective on adult ADHD. Adults who are told about how the diagnosis for ADHD is conducted and who know that it is highly subjective and are warned of the side effects and the dangers of the drugs can make an informed decision. Children are denied that opportunity. Although we must be concerned about adult ADHD and must ensure that adults are properly informed about the dangers of the medication for ADHD and also are made aware of how the condition is diagnosed, it is not quite the same issue. Adults have the capacity to monitor their own feelings, emotions and behaviour in a way that children do not. I am not critical of adults who make an informed choice under those conditions.

MS S.E. WALKER (Nedlands) [6.21 pm]: I could make a speech about my electorate and other matters that relate in particular to my role as shadow Attorney General entitled "You can't keep a good woman down". I say that because today is International Women's Day. I thank the constituents in my electorate for putting their trust in me by re-electing me as the member for Nedlands. I consider it a great honour and privilege to represent almost 30 000 electors in the seat of Nedlands. I refer to not keeping a good woman down because of the hoo-ha we have heard lately about the Weld Club. It is likely that the first female Chief Justice of the state will be appointed this week. She never had to go to the Weld Club to get where she is and I never had to go to the Weld Club to become either the member for Nedlands or the shadow Attorney General. If a report that was released today by Yvonne Henderson, the Commissioner for Equal Opportunity, is anything like the report she released on the topic of racism in Western Australia, I shall be looking at it very closely.

I raise that issue because last year was the seventy-fifth anniversary of the electorate of Nedlands. I am a history buff. I studied ancient, Australian and European history at the University of Western Australia. I love history; it is a pet topic of mine. Recently I read a book held in the parliamentary library on the election statistics of Western Australia. I was very surprised when I saw a snapshot of the polling. Any member can access this book and see painted for them a history of elections in their electorates. The book records the fluctuating number of electors in the electorates over time and outlines when the electorates were first created. I was surprised to learn that when the electorate of Nedlands was created in the 1930s, about 6 000 or 7 000 constituents voted to elect its inaugural member, which was Sir Norbert Keenan. I did not know of him at the time and there is nothing in the electorate to remind us of him. He was the first member of Nedlands and remained its member for 20 years. He served as the Attorney General and the Minister for Education during his time in office. I raise the matter of the Weld Club because I have since contacted the relatives of Sir Norbert Keenan, who still live in the electorate of Nedlands. I have received a wealth of information on him that I will put on my new electoral web site. I did not realise that he was a president of the Weld Club. I read some of his history and I thought I might mention that. It does not matter whether a person belongs to the Weld Club or the Karrakatta Club or the WA Club - you cannot keep a good woman down!

I pay tribute to the first member for Nedlands and will say a little about his history. When I issued my campaign material, somebody wrote to me and I mentioned that I had a Bachelor of Jurisprudence degree and a Bachelor of Laws degree. The person asked what hope was there for others. There is plenty of hope for people to become an elected member of Parliament whichever part of society they come from. For instance, my family came to Western Australia as £10 pommy migrants. My father was a bricklayer and stonemason. Sir Charles Court's father was a plumber. I think Sir Charles was one of the greatest Premiers of Western Australia. It goes to show how wonderful are the opportunities in Western Australia for people to educate and advance themselves and participate in public life. I want to put on record something about Sir Norbert. People are not generally aware that he existed. He was an Irish Catholic who came from Irish aristocracy. As I said, he served from 1930 until he was defeated by David Grayden, brother of the former member for South Perth. I will refer to *The Weld Club 1871-2001*. At page 173 it states -

During this low period, the president of the Weld was Norbert Keenan . . .

I raise that because someone said to me the other day that the Weld Club does not admit politicians. I do not know why. It certainly did a while ago. It continues -

. . . an Irishman of decided personality, the first Catholic to become president, and also the first serving member of parliament and party leader . . . to occupy the post. Keenan was the son in law of Sir Henry Parker, president for so many years. Louch has a memorable portrait of him:

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Keenan was Commodore of the Royal Perth Yacht Club and sailed 'Nadina', which had its mooring near the Narrows Bridge [sic]. This yacht had the loveliest lines and was always spick and span; but it was really too big and drew too much water for comfortable sailing on the river. Younger members of the yachting fraternity from other and less select clubs used to lie in wait for 'Nadina' near a sandbank and then put her about for the pleasure of hearing what Keenan had to say, and they were rarely disappointed. A paid hand was usually employed until one, who was tired of life, dressed himself in the Commodore's uniform, tucked the fluke of the anchor in his waist belt, and jumped overboard while the yacht was at its mooring.

Another club story based on this incident suggests that when Keenan and a nephew raised the anchor and discovered the body, the former asked what should they do? The nephew robustly advised his uncle: 'Don't touch him, chuck him back. Why interrupt a day's sailing?'

He was an irascible character but he was very competent and highly articulate. I am sorry that I do not have further information to read today. I will read the rest another day.

I will touch on a few issues in my electorate. A very important one is the Karrakatta Cemetery. The cemetery is managed by the Metropolitan Cemeteries Board, which is a not-for-profit organisation that relies mainly on its revenue raised from its burial and cremation services. Its funds are used to improve or provide services for infrastructure etc. The cemetery has a unique place in Western Australia. It is located in the electorate of Nedlands. There has been some controversy in the local media about the cemetery renewal process.

Mr T.K. Waldron interjected.

Ms S.E. WALKER: We should not make fun, because for some people it is a very important topic. It is an important topic, particularly concerning what is done with people's headstones. I refer to *Memories Eternal* by Leonie Liveris, who is now a member of the board. It states -

Karrakatta is a cemetery that holds a unique place in the history of Western Australia. . . .

Karrakatta tells us much of who we were and what we have become. Here is a history of people, providing links and personal memories through the generations.

Karrakatta Cemetery is a sacred place of comfort and quiet reflection which belongs to all Western Australians.

Not long ago I was called by one of my constituents who said, "Have you seen the depot at Karrakatta Cemetery? Headstones are tossed in there. Would you come up and have a look?" I was walking my dog, so I went up there and had a look. It was really very sad. Near the rubbish depot were a lot of headstones. One was for a little boy who was a year old, which his parents had obviously had made for him. They were just collected and collated there. It was a very sad sight. I rang my local *Claremont Nedlands Post* newspaper, and we went up there and took photos. The article appeared on the front page of the newspaper. I decided that I would look at the cemetery renewal process and what was being done with headstones. The questions which are asked and which I ask about this are these. What does a cemetery renewal process mean? Is the original grave disturbed? What happens to the grave headstone? How do people locate a grave that has been subject to the cemetery renewal process? How are people notified it is happening? Are the details of the removed headstone recorded anywhere? This involves highly sensitive issues.

The minister at the time was the member for Eyre. I approached him, and I believe he did a wonderful job. He has made some improvements, and I would like to say what they are. I have listened to what people have said about the cemetery renewal process and what the alternative is. I have looked at the web site.

Mr P.D. Omodei: Member, before you go too far, I should say that I think I was the minister who introduced the renewal process. My first speech was on the rights of burial and crematoria.

Ms S.E. WALKER: It has caused quite a stir, member for Warren-Blackwood, but the member does cause quite a stir from time to time. I have listened to people who are opposed to the cemetery renewal process, and I have read literature. I support them, because I think the board was neglectful and insensitive in the way in which it was dealing with the headstones, the way in which it told people about the renewal process, and the way in which it passed harsh judgment on people whom it believed were not looking after the graves. Leonie Liveris wrote to me, and I believe her comments were very insensitive and contained a lot of assumptions. I do not think they reflect the views of the board. I must say that some of my constituents have come to see me about what to do with old headstones. I spoke to Peter MacLean, the chief executive officer of the Karrakatta Cemetery, and, as I said, I looked at what was being done and what was proposed to be done. When I looked into this issue, I had received a lot of letters from my constituents about it. I would like to read some of them. I was really quite surprised at the letter I received from Dr Liveris, who said -

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I believe you have been, as others have been, used by a very small group of persons, many of whom have no relationship with burials in Karrakatta or who after many decades of their own family neglect now wish to find monuments with grandparents life histories written there for their own records. One must ask, where are the families when so many thousands of graves are never visited, never repaired and the burial grant never renewed?

That is an assumption. I was really surprised at this letter, because it contains an assumption. For instance, that little boy's headstone could have been put there, and then his parents could have been killed. They could have been immigrants, and they could have been killed in a car accident. I was very surprised that Dr Liveris assumed that no-one visited that grave because they could not care less. However, I have since been told by another board member that those comments do not represent the views of the board, and I was pleased to hear that. The point is that a person does not need to know of anyone buried at Karrakatta Cemetery to know the significance of a burial place. People like to visit cemeteries because of their history. Cemeteries also give comfort to people. I have received many letters from my constituents about the cemetery. One constituent in Claremont wrote that he has been advised that his parents' grave is to be desecrated less than 30 years since his mother's burial and that maps indicate that the grave will become a walkway. People in the community do not generally understand that the purchase of a burial place is valid for 25 years. I think there is an option to renew. The cemetery renewal process does not disturb existing graves; rather, new graves are placed in between the existing graves, and the headstones are removed. I believe the minister has given the okay for the renewal of eight more areas at Karrakatta Cemetery. What will happen to those headstones was an issue for me. It was also an issue for members in my electorate who said that they had been to graves in other places in the world that were used as walkways. Someone suggested that the headstones be used around Karrakatta Cemetery. The many gravestones that appeared in the *Claremont Nedlands Post* article have all been ground down. Some people did not know even know that they were being removed. However, I am advised by Peter MacLean and the minister that that will no longer happen. If the headstones are in good order, they will either be grouped, put into a walkway or placed around the Karrakatta Cemetery. That is a good thing. The alternative is to close Karrakatta Cemetery. It is a large area. I spoke to Mrs Sandra Playle, the convener of Saving Graves, and asked her what would be her preferred option. She said she would like the cemetery to be used only for the burials of people whose relatives are already buried there. That is not an acceptable option for members of the community who would like to be buried near where they have always lived. Members of my community wanted to ensure that when a headstone was removed and placed somewhere else, it was treated with the care and sensitivity with which it had been placed on the grave site. I am pleased that the minister has listened and that he is going to address this issue.

The Royal Western Australian Historical Society, which is in Broadway, also visited the cemetery as a result of the newspaper article. It looked at the way in which records are kept when a headstone is removed. I have looked at the records. It is a marvellous service. Anyone can go to the web site of Karrakatta Cemetery and look up someone's grave. They will be able to learn what was on the headstone and where it was located.

[Member's time extended.]

Ms S.E. WALKER: In addition, the renewal area will now contain a large engraved map that indicates the position of the former graves. That is excellent. Further, notices explaining that an area is a renewed area will be made larger. I understand that more of an effort will be made to reach people to tell them what is happening. The headstones are the issue, because they have a profound spiritual significance for people even if they do not belong to a member of that person's family.

Mr J.J.M. Bowler: A lot of that work came at your behest and is due to the cooperation between you, me and the Metropolitan Cemeteries Board.

Ms S.E. WALKER: I thank the minister. It was wonderful that the minister implemented that. I wanted to put that on the record, because I sent the letter to my local newspaper and I wanted to make sure that the minister was given credit for that issue.

In my role as shadow Attorney General I wrote to the Attorney General last week in relation to Mr Paul de Souza, the man who walked out of a Broome nightclub to speak on his mobile phone and was brutally bashed. The next thing he knew was waking up in an ambulance. He spent four days waiting for an operation in Fremantle Hospital. While he was waiting outside the hospital theatre, he was asked whether he had private health insurance. He got the operation only when his mother threatened to go public. What has happened since then has been a litany of errors by the Department of the Attorney General and failure by the Office of the Director of Public Prosecutions to act swiftly in organising a criminal justice stay visa, because the men who hit him were United Kingdom tourists. They had had their passports confiscated. It is well known in Western Australia that those passports were given back by an officer or officers of the Court of Petty Sessions, as it then

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was, even though they had been confiscated by judicial order. They were just handed over, which allowed those men to leave the country. It was absolutely incredible.

Shortly after that, the DPP said he would not be extraditing those men for a variety of reasons, but primarily because there was not enough evidence. However, I have received transcripts from the Broome court hearing. Mr Ron Cannon, defence counsel for those men, said that it was likely that Simon Johnson, the man who hit Mr de Souza in the head, would plead guilty to the offence of assault occasioning actual bodily harm, but that Phillip Johnson, the man who took a flying run at Mr de Souza while he lay on the ground and kicked him fair to the face so that he now has seven plates and 58 permanent screws in his head, would plead guilty to that offence only once he had the medical report. There is a video record of an interview with Simon Johnson, in which he confessed to the first hit. Eventually, a year later, an application for extradition was made, which went to the magistrate in the UK court two years after they had fled. The magistrate gave a most damning judgment on the extradition proceedings, saying that they were politically motivated because of media publicity.

In the meantime, Mr Paul de Souza was on an emotional seesaw. I wrote to the Attorney General asking for an ex gratia payment in December 2004, after Mr de Souza received his first criminal injuries compensation payout of about \$23 000. The de Souzas pursued it themselves because they were advised to. They then had to pay a lawyer, Mr David Bayly. I would like to pay tribute to Mr David Bayly. He obtained from Judge Fenbury an increase of about \$40 000, but of that \$40 000 the court kept nearly \$8 000, and Mr Bayly's fees were nearly \$11 000. I have a letter that one would never have thought would see the light of day in Parliament or anywhere. It says that because of the appalling way that the legal system had treated Mr de Souza, Mr Bayly would be waiving that \$11 000. If he had not, Paul de Souza would have received only \$21 000.

The reason I think an ex gratia payment is valid in these circumstances is that when nurse Debbie Freeman received her \$107 000, which I agree with, it was done in a fanfare of publicity by the Attorney General just before the election, when he knocked on her door, accompanied by the media. She was a psychiatric nurse at Swan District Hospital, and she had also been bashed unconscious and spent several months in hospital. In my view that was an exceptional case and deserved an ex gratia payment. However, Mr de Souza's application for an ex gratia payment was originally rejected by the Attorney General, because he did not believe there were exceptional circumstances, and he found that the state had not contributed to the hardship of Mr de Souza. I believe that the state has contributed to the hardship of Mr de Souza. I will not read out all the terrible psychological effects that the attack has had on Mr de Souza, but the Attorney General refused the ex gratia payment point blank. He should not have done that, because when the DPP officers found out that those two men had absconded, the first thing they recorded in their internal memos - I have several affidavits from that office - was the need for the investigating officer to go to Broome to contact Mr de Souza because of the impact of his finding out that these men, who had viciously attacked him and caused such horrific injuries, had flown the coop because of a stuff-up and a bungle by the Court of Petty Sessions. I accept that the Office of the Director of Public Prosecutions has struggled under a paucity of resources while the Attorney General has lavished money on the Corruption and Crime Commission. However, here we had a situation in which the file manager in the Office of the DPP had to chase up passports in the middle of a trial. That is unheard of, and it shows the pressure that the Office of the DPP has been under. I spent quite a bit of time on that issue. I pay tribute to Mr David Bayly. I had never met him before I rang him the other day. I pay tribute to the fact that he waived his fees and that he has helped Mr de Souza and shown him some compassion along the way. Frankly, that same compassion has been wanting from the government. Here we had Mr McGinty knocking on the door and offering a cheque to Ms Freeman, but he could not even pick up the phone and speak to Mr de Souza. I bet that if an election were on, Mr de Souza would have been given that money. It just goes to show what a villain the Attorney General is when it comes to victims of crime.

The last matter I want to talk about briefly is the closure of the Cottage Hospice, which is actually in the member for Cottesloe's electorate, but is on the border of my electorate. Many people have come to see me over a period about this issue. I must say that I am very disappointed with the Cancer Council WA. The council has tarnished its image in the way it does business. I was unaware until a few weeks ago that Hendy Cowan was the chair of the council. However, the board members who have made the decision in this issue are: Hon Hendy Cowan; Mr Peter Blaxell, a judge of the Supreme Court; Mr G. Cornish; Mrs L. Daly; Dr Ken Michael, His Excellency the Governor; Mrs M. Nuttall; Professor C. Saunders; Professor C. Watson; Associate Professor M. Henderson; Dr D. Newman; and Dr H. Bryan. I took a delegation to see the Cancer Council board and I have to say that some board members were there - three - but I do not believe they had any idea about the impact of this decision on ordinary Western Australians. Many people feel very strongly about this issue. I was first contacted about it in July last year. I wrote to the Minister for Health and received a reply dated 24 November 2004, in which he said -

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Mr Troy Buswell; Mr Tony O'Gorman; Mr John Day; Mr John D'Orazio; Mr Martin Whitely; Acting Speaker;
Ms Sue Walker; Mr Terry Waldron

Thank you for your letter dated 12 November 2004 regarding the Cottage Hospice.

...

Recommendation 41 of the Report -

That is the Reid report -

... states that "Purpose built facilities to provide for inpatient, day and ambulatory palliative care hospice services should be incorporated into the four designated general hospitals. These services should form an integrated network ...

As you can see from this recommendation, the Government's policy will be to develop new services in the general hospitals around the metropolitan area that will complement, and not compete, with existing services including the Cottage Hospice. I have discussed this with Dr Neale Fong, ... who unequivocally supports the Government's position - that is, that there will always be the need for excellent services such as the ... Hospice to operate in parallel with public services.

It appears that the minister was not telling the truth, as we now find that the hospice is to be closed. Since this issue started to grow legs, I have found that the actions of the Cancer Council in the way it moved quickly are wicked and totally despicable. Although it is a fine thing for the government to provide accommodation for cancer patients who come from the country - I have no problem with that - the Cottage Hospice should not be closed. I do not believe we have heard the last of this issue. Members need to know that their seats will be targeted by those who have supported the Cottage Hospice defence group; however, this all lies with the minister.

I was at a dinner the other night at Government House, sitting with the Treasurer, and I asked him whether he would provide the money needed to keep the Cottage Hospice open. He said that he did not even know that it was closing; he knew nothing about it. It was absolutely incredible. I urge members on the government side of the house who may not have not thought about the Cottage Hospice to realise that these people have tentacles. Somebody from Collie was here yesterday. Many people have had contact with the Cottage Hospice. There is a memorial over that land that states that it must be used for the purpose of a cottage hospice. Any change to the purpose of that land must be determined by this government. Therefore, I call on the government to ensure that the hospice stays open and is used for the purpose for which it was intended. It was intended to be a home away from a hospital. I am sorry that I do not have three hours in which to speak, because I have a lot to say about my electorate, and I cannot do this issue justice. The Cottage Hospice is still seeking donations. People make donations to the Cancer Council for many reasons. People donate to the Cottage Hospice because they have a sentimental attachment to the hospice. In many cases they have had experiences with the hospice and have appreciated the work it has done over the years. The hospice now has a new chairman and chief executive officer. Money is the issue here. The Cancer Council intends to close this hospice for the terminally ill and create an income-earning facility for the council. This matter is not closed. It has legs of its own. I hope the government and cabinet members will not hand over that land to the Cancer Council for its own purposes.

MR T.K. WALDRON (Wagin - Deputy Leader of the National Party) [6.51 pm]: I would like to welcome back all members to this new session of the Parliament. I congratulate the new Premier, the member for Willagee, and wish him all the best in his new role. I also congratulate the new ministers who have been appointed and wish them all the best. They have a big task and a big responsibility. In wishing them all the best, I ask them to remember that they govern for all the state, and not to neglect or forget about the interests and needs of inland country Western Australia, which is where I live. Many of those areas have not received the priority that they should have received over the past five years. I also take this opportunity to congratulate the former Premier, Hon Geoff Gallop, on his long and distinguished career. I wish him and his family all the best for the future.

I particularly want to congratulate and make a special mention of the new Minister for Community Development, the member for Mandurah, on his swift action in changing the day care centre regulations. Those regulations came out recently, and they were prepared, once again, without any thought being given to what they would mean for rural Western Australia. It was highlighted to me that these changes would mean that many of the day care centres in country Western Australia would become unworkable, so the kids would need to be left at home. I raised this issue, along with other members, and said that it needed immediate attention, and to the minister's credit he took immediate action, and the regulations were changed. There may still be some anomalies, but the major ones were fixed straightaway. That was a commonsense and practical approach, and we need more of that from the government.

Mr Tom Stephens; Mr Paul Omodei; Speaker; Mr Bob Kucera; Mr Murray Cowper; Mr Dan Barron-Sullivan;
Mr Troy Buswell; Mr Tony O'Gorman; Mr John Day; Mr John D'Orazio; Mr Martin Whitely; Acting Speaker;
Ms Sue Walker; Mr Terry Waldron

I also take this opportunity to congratulate my leader, the Leader of the National Party and member for Merredin. He is a young, but strong, leader, and he has the full support of the National Party members. We are certainly going in a new and strong direction, and I congratulate him on the fine job he is doing.

Tonight I want to talk about many of the positives in the Wagin electorate. I will start off by talking about bush change. We have heard about sea change and tree change. One of the issues that has been facing country Western Australia over the past few years is the loss of population. However, over the past 18 months there has been a turnaround. Over the past 12 months in particular, that turnaround has become significant. When my electorate was expanded to include the areas in the east ward of the Shire of Bridgetown, Boyup Brook and my old area of Darkan, it was very noticeable in the western areas of my electorate that many different types of people were moving into the area. By that I mean older people, younger people, people looking for a lifestyle change, people looking for retirement, and people looking for new businesses and other opportunities. The safety and way of life offered in country Western Australia has a great role to play in attracting people to the area, as does the higher cost of housing in the city and on the coast; now people are looking inland. It is a great trend. It is certainly benefiting towns throughout the Wagin electorate. Towns such as Katanning, Narrogin and Bridgetown are the biggest centres in the Wagin electorate. Those bigger centres are certainly seeing growth now that they did not see a few years ago. In fact, those towns are now having problems with housing. The Western Australian Meat Marketing Corporation abattoirs and export business are in Katanning. It is seeking a lot more houses in the town for its workers; there is a problem providing housing for those people. Also, Narrogin is growing quite rapidly. The prices of houses in the major regional towns are really rocketing up, and that is because the major regional towns are serving an increasingly more important purpose for communities and need to be recognised as such. I have spoken in this Parliament before about towns such as Katanning, Narrogin, Merredin, Moora and Bridgetown. Those major regional inland towns need to be recognised more for the roles that they play. Medicare offices, Job Futures offices and Centrelink offices should be located in those towns, because they provide services to not just those regional towns, but also the districts and the regions around them that feed into and rely heavily on those major regional towns.

Housing developments are also occurring in these towns, which is a positive for our inland country areas. It is happening in not just the bigger towns, but also in Darkan, Katanning, Bridgetown and Narrogin. It is really positive to see that happen in those towns. There is both private and local government development, which is terrific. The housing department's New Living program is also having a great effect in those towns. One of the problems, of course, is the headworks and the cost of development in these towns. We need to pay more attention to headworks assistance to enable developers to recover the money invested in the development. It will take pressure off the ever-expanding metropolitan area and will result in the population being spread a bit more evenly, which is important for the state.

I will talk a little more about the bush change. I have often spoken in the Parliament about the need for new industry in country WA to attract people to country areas. It has been very hard to get new industry in country WA to attract people from different walks of life. However, that is now happening. I will refer to some of the new industries in the Wagin electorate, as well as the industry growth and diversification that are occurring throughout the area. For instance, there is a new industry of growing cherries in the Bridgetown area. I thank the federal government's Regional Partnerships program, which is helping this development in country WA, for its assistance to that industry. There are many diversifying industries, wineries etc in the Bridgetown area. It is quite an exciting place. Kojonup has the large sheep export centres. The canola oil plant has been established south of Kojonup. In Katanning there has been the expansion of WAMMCO, which exports a lot of lamb etc throughout the world. I congratulate the chairman of WAMMCO, Dawson Bradford, and his management. They do a fantastic job. Later I will talk a little more about multiculturalism in Katanning. More and more people from different countries are coming to work at the WAMMCO complex. The town and the district are embracing those people. It is a wonderful thing. The saleyard complex in Katanning is very important for the sale of store sheep and trade sheep. There is a proposal to move the yards out of the town and place them near WAMMCO, which is also important, and I will talk about that later also. The AQ2 Ltd water treatment plant provides purification plants for small towns in WA, Victoria and other parts of Australia. In Wagin there is the oat processing business, which is going very well, the feed pellet plant and the ear tag manufacturer. In Narrogin there is a huge beef feedlot on the southern side of the town, run by an American who has come to Australia. That keeps on growing, and is now a huge industry, along with the hay processing plants on that side of the town, the large piggeries and the pilot oil mallee plant, which goes into full integration next week. It only has a short period to run, but hopefully it will turn out to be successful. There is also a proposal to establish a dairy and cheese making facility at Narrogin, which is exciting. At Williams there is a big hay industry, feed manufacturing and a tourism industry, which is also very important.

Mr Tom Stephens; Mr Paul Omodei; Speaker; Mr Bob Kucera; Mr Murray Cowper; Mr Dan Barron-Sullivan; Mr Troy Buswell; Mr Tony O'Gorman; Mr John Day; Mr John D'Orazio; Mr Martin Whitely; Acting Speaker; Ms Sue Walker; Mr Terry Waldron

This region is buoyant, progressive and exciting, but we need to keep pace with this new influx of industries, and to look at the new infrastructure that will be required. I have mentioned the Katanning saleyards. New state-of-the-art saleyards are planned in the appropriate position. We have been talking with the Minister for Agriculture and Food, and I am confident that will happen. There are some funding issues, but the saleyard is a major trading centre for the state, and it is important that it be upgraded and moved closer to the WAMMCO facility, which will benefit that region. The Kojonup centre for soils excellence proposal has stalled somewhat and needs to get more funding from both the state and federal governments. It is a wonderful idea. Further development of the sheep shearing and handling centre at Wagin is also planned. The Wagin Woolorama is on this weekend, and I will talk about that later. There is a proposal to expand the sheep shearing and handling facility to enable it to operate year round in the training of shearers, wool classers, handlers, roustabouts, etc. It is a great facility now, but expanding it would greatly complement what is already there. Members attending the Woolorama on the weekend should go and have a look at the facility, because this will take it a step further. The Narrogin Agricultural College is doing a fantastic job but is in dire need of some upgrading, particularly to its residential facility. Students are being turned away, and something needs to be done about that, particularly with the increase in the compulsory school leaving age. I will talk more about that later.

Stage 2 of the Narrogin link road was meant to go ahead in 2001, but still has not happened. The middle part of the road is there, but it does not link up. It is a road to nowhere. It will not cost a lot to complete - about \$2 million. I have written to the Minister for Planning and Infrastructure and received a lukewarm response. I encourage her to take action, and I hope the money is in the next budget. The new industry I mentioned south of Narrogin is now resulting in huge trucks continually passing through the town. They can utilise the existing part of the road, but there is a really dangerous situation in which they still have to pull onto the main road. This road needs to be completed for safety and convenience, as well as for the benefit of those new industries. That is really a priority, and not a big cost. The Wickepin to Jitarning road is also extremely dangerous, with very narrow bitumen on one of its sections, and needs to be completed for safety's sake. School buses travel on that road, and vehicles must move right off the narrow bitumen centre to avoid the big hay trucks that travel the road. Extra passing lanes have been built on Albany Highway. Those passing lanes are critical, and there needs to be more of them north of Williams and north of Kojonup.

Finally, the Boyup Brook infill sewerage program has been pushed out to 2018. I implore the government to try to bring that forward, because there are real problems with the Blackwood River and the effluent from some of the drains. Because it was thought that the town would be getting deep sewerage, only one leach drain was put into some houses, and it was not done properly. That was back in 2001, and, with the project being pushed out to 2018, it is an environmental worry. I will talk to the new Minister for the Environment about that. It is one small town infill sewerage program that definitely needs to be brought forward.

[Leave granted for the member's speech to be continued at a later stage.]

Debate thus adjourned.

House adjourned at 7.05 pm
