

**TREASURER'S ADVANCE AUTHORISATION BILL 2021**

*Second Reading*

Resumed from 5 May.

**MS M.J. DAVIES (Central Wheatbelt — Leader of the Opposition)** [3.33 pm]: I rise to speak on behalf of the opposition on the Treasurer's Advance Authorisation Bill 2021. The Parliament deals with bills like this on a regular basis when it comes back after an election. We have no objection to the mechanics of a Treasurer's advance bill. We are responsible and we will offer our support to the Premier and the government on this bill, regardless of that fact that it will make no difference whatsoever to whether it passes, but we have some questions about the quantum, the priorities and the assumptions that sit beneath the request to provide additional money.

I thank the Premier for the briefing that was provided on Friday at short notice by his office and also the Treasury officials to me and the shadow Treasurer, Hon Dr Steve Thomas. At that meeting, there was some discussion about how, at our request, the Premier may consider tabling in the house today some of the detail that has been glossed over. We are looking for a breakdown of the spend of the \$750 million increase in this advance bill and ask the Premier to consider that.

Broadly, we understand that the additional spend will cover the COVID-19 response from government, including, specifically, the vaccination rollout. A joint commitment was made between the state and federal governments between the federal budget being set and our return from the election. Funds will also be provided for the government to respond to the natural disasters that we have experienced in Western Australia, with the Wooroloo fires and ex-tropical cyclone Seroja. We have no issue with the government working quickly to provide support to those particular communities, but we have some questions about where that funding is going and how it will be managed. The other area of spending mentioned in the second reading speech is the small business assistance grants brought on in response to the lockdowns that we have experienced in Western Australia since January. Interestingly, a number of election commitments have been included in this advance amount along with a buffer, which I am told is normal. Treasury includes a buffer to ensure that we do not have to come back again, so from that perspective, I would like to understand the assumptions underpinning that amount and how much is allocated according to those particular categories.

Obviously, we have an interest in the election commitments that the government wants to include in the rollout prior to the end of this financial year. I appreciated the Treasury official alerting us to the fact that we can go through the *Pre-election financial projections statement*, which categorises where there have been spending changes in the various departments. But, again, the level of detail does not allow us to understand exactly why that has come about and some further detail on that would be appreciated.

I want to start with some of the commentary that has surrounded the Premier's decision to take on the role of Treasurer. A few eyebrows were raised when the new cabinet for the McGowan government was announced. There are many new members of Parliament, as we are reminded of daily when we come into this place; we are surrounded by them in this corner of the house. A crop of new hopefuls is coming through the ranks and there are some ministers with significant experience in this place. A number of ministers were touted as being up to the task of taking on the role of Treasurer and filling the very big shoes left by the former member for Victoria Park. The cabinet reshuffle that ensued with the Premier taking on the role of Treasurer meant that some very competent and reasonable ministers, such as the member for Willagee, were stood aside. The dealings that I had with that previous minister in his portfolios—fisheries, in particular—was a welcome respite from those I had with the member who held that position before him. It is a great disappointment that the member for Willagee, Hon Peter Tinley, who was a very reasonable minister, is not continuing on in that role.

Given the size and the depth of the members in the Labor Party, it seems a little miserly that the Premier has taken on this role in addition to the role of Premier, particularly when we are in the middle of a pandemic. The Premier has many demands on his time and this state is facing a number of key issues. It is a big task that no doubt comes with an enormous responsibility in terms of his time and making sure that those budget allocations are managed across all these new portfolios. The Minister for Transport was touted as having all the right qualifications to become the Treasurer. In fact, she has a professional background in economics and experience of working in Treasury in Canberra and the state government, yet she was overlooked for the role. We have to ask whether the Premier has a lack of trust in his colleagues, because, once again, it is hard to understand why the Premier would take on this mantle when there are so many people in his government with the right qualifications. There is a significant task ahead to manage the COVID-19 response—which the opposition has been asking questions about over the last two weeks—as we move on from the crisis mode that we were in early on in the first half of last year to what is now business as usual or the new normal. Of course, the Premier will now be required to significantly focus on these things in addition to the many Treasury responsibilities. Although there may have been discussions previously—I have no doubt the Premier was heavily involved and was leading the Expenditure Review Committee and the remainder of that—those discussions would have been led by the previous Treasurer, and that is now also on the Premier's plate.

Those questions were asked—not only by us in the opposition; it was widely canvassed in the community—and, as I said, there were a few raised eyebrows when the Premier made that decision.

It was interesting to hear the Premier being interviewed on the ABC on 19 March, not very long after announcing his cabinet, and saying that one of the main reasons he wanted to take on the Treasury portfolio was that he wanted to protect WA's share of the GST. I have not heard that particular debate come back on the agenda, but they were fighting words, which does not surprise me. It is always good to pick a fight with the feds and our eastern states colleagues when we need to push things along and make sure that we maintain those heady heights of popularity. The Premier commented, "The other states are mobilising, jointly mobilising against it, and that is a threat to Western Australia." I have not heard the Premier raise that ever since, so I am very interested to know exactly how he thought that mobilisation was occurring. I cannot imagine that any discussion about changes to the GST in the run-up to the federal election, at the very least, will be on the agenda. I will be interested to see whether any Premiers in other states have a view on this, but I am sure that there will be no discussion on that front. Whether this is a real threat or a threat that has been dreamt up, the old playbook of blame the feds when looking for a distraction is probably wearing a little bit thin.

I am not sure whether it is just a convenient excuse or political ploy or artificial argument to create tension when there is none, but the Premier needs to make clear whether that is in fact something he will be pursuing. Of course, he will have the opposition's support because we fought very, very long and hard to see some equity from a GST perspective. I point to the fact that Tony Crook, a former federal Nationals member, the former member for O'Connor, was in fact one of the first MPs to raise the matter in a federal context. In fact, when he moved a motion calling for a better distribution of GST moneys and argued that Western Australia was being completely duded, he found himself sitting on one side of the house while every other federal MP was sitting on the other. We have a long history on the GST argument, so the government will not be able to drive a wedge between us and the people of Western Australia on that. We will support any move the government considers to ensure that WA continues to get its fair share, given that so much of the wealth is created here in Western Australia. However, I find it interesting that that debate has not been put forward since. I suspect it will come to the fore as we get closer to the federal election.

Turning to the bill, we would very much like to unpack the increase of \$750 million on the currently approved limit of \$689 million. The COVID-19-related expenses are understandable, but some detail would be appreciated, given that we have had very limited opportunity to scrutinise the government spend on this, given the circumstances of the past year. We have questions like: What has been spent on the hotel quarantine system? Has any of the funding been attributed to forming the Quarantine Advisory Panel? If so, when did the government start allocating those funds? What resources will be provided to acquit that very important job? What funding has been allocated to implement the recommendations that the government agreed to as a result of the Weeramanthri report? We have found it very difficult to get any detail on the implementation time line and the funding that has been attached to those recommendations, which the government has agreed to. We do not see the rigour in how they will be delivered. The opposition cannot do its job of finding out whether the government is holding itself to a high standard to deliver that in a timely and cost-effective manner.

We do not pursue these questions with a view to saying that we cannot acknowledge the management of the COVID pandemic over the last 14 months. I think the people of Western Australia have clearly shown that they support what the Premier and his government have been doing to make sure that we have been kept safe. But we do absolutely have a responsibility to ask questions about the money that will be spent. As I said, we are shifting from a crisis mode, which we have been in for the last six to 10 months, into what is a business-as-usual mode. We need to understand exactly what has been spent, how it has been spent and what the future plans are to ensure that our state can continue to grow even while the threat of COVID still exists.

As I said before, I think the opposition understands and supports expenditure to assist those communities that have been impacted by natural disasters—the sooner, the better. Ex-tropical cyclone Seroja and the Wooroloo fires have been absolutely tragic for those communities that have been impacted on both fronts. It would be remiss of me not to mention that we understand that these are complex situations that require many departments, both state and federal, to have input to make sure that we are able to support the recovery of those communities, but there are some very urgent and immediate issues that we would like dealt with. Some of them have already been raised by members of the opposition. In particular, the communities in Kalbarri and Northampton—places that have been most impacted—are inhibited from getting roofs back on houses and houses rebuilt after there has been complete destruction because those communities cannot get a construction workforce or have no accommodation available for the workforce—likewise with clean-up crews. That is hampering support to those communities and their recovery. I always premise these remarks with huge congratulations and thanks and appreciation to the emergency services workers who have been involved so far. But the immediate challenge is housing the workers who will rebuild these communities.

It would be good for us to understand what the government has put on the table. We have yet to see category C and D—is that correct, Deputy Leader of the Opposition?

**Mr R.S. Love:** Yes. We are waiting for category C to be assessed.

**Ms M.J. DAVIES:** We are waiting for category C to be triggered. That will then allow federal government funds to flow significantly as well.

We would like some detail around what has been spent in relation to the Wooroloo fire and ex-tropical cyclone Seroja. So much has happened since the Wooroloo fires, but the community is continuing to pick up the pieces. It resulted in utter and complete devastation for some people. As we always hear after these events, there are people who will be coming through this without insurance. There will be the tragic stories of people who are underinsured, particularly in regional communities. As we go along this path, I suspect we will hear more stories about people who have been unable to insure appropriately or who are unable to rebuild because insurance companies will simply not recognise the value of these homes in regional areas. There is the risk that those people will move on and not remain in those communities and that, I think, will be a very poor outcome. A similar debate arose after the Yarloop fires and about whether Yarloop could be rebuilt. That community was strong, as are the communities of Wooroloo, Kalbarri, Northampton and other places that have been impacted. The people of Yarloop strongly believed in the need to rebuild their town and funds were made available to assist them. It is only now that they are getting back on their feet and prospering once again.

I turn to small business grants. There has been a fair amount of discussion in the house today around the quantum and assumptions that underlie this spend and whether it is enough. It has been difficult to get details on who has been eligible for them. We asked the Minister for Finance today about the energy grants. We have been trying to understand who is eligible, who is not and what additional funds will be made available. We then made a very reasonable request and suggestion, I thought, with the amendment that was moved yesterday to the second reading of the COVID-19 Response Legislation Amendment (Extension of Expiring Provisions) Bill 2021 and the debate we have held today around trying to provide that certainty for businesses in Western Australia if we are going to continue down the path of short, sharp lockdowns so that those businesses have some level of certainty. It is a serious matter. I am not convinced that the government has turned its mind to this in a fulsome manner.

I understand that the Treasury estimates of the three-day lockdown over Anzac Day were around \$70 million. I do not know whether that has changed now that more information and feedback has been provided. I would certainly be interested to know whether that figure has changed. Feedback from the Chamber of Commerce and Industry of Western Australia, the Australian Hotels Association and small businesses across Western Australia puts the broader impact at far more than that. Numbers between \$100 million and \$200 million have been put forward as the real impact of that short, sharp lockdown. As I said, the government refused to consider an amendment to the COVID emergency response bill that I think would have been a good way to explore how it might provide some of that certainty to the business sector in the event of future lockdowns, given that it seems this is the way we will manage any future outbreaks. We were given a short time frame to consider the legislation. We genuinely did not want to hold up the legislation. We moved an amendment that would have allowed the government to consider how it might accommodate the request, as opposed to making a very specific request, but it was discounted. I echo the comments of the member for Roe, the Deputy Leader of the Opposition and the member for North West Central that people in the business community are very flexible and resourceful, but they are stretched and they are not magicians. As we carry on, they cannot keep operating with that level of threat of lockdown without some certainty that there will be at least an opportunity for them to receive some sort of compensation. It seems that every time we go through this process, the government waits to see how big the outcry is, how big the pushback is, as to how big the amount will be that it needs to respond with. I do not think that is fair to the business community. I think it has enough to deal with if it is coming off the back of a lockdown. I do not think it is worthy of the way we have tried to manage all the uncertainty in our community. I think that the government has tried to be mindful of that, but a mechanism is required that says without doubt when we go into lockdown, we will see how we can provide support so that businesses know it is coming and they do not need to get up and agitate and start to push back. That would take a lot of heat out of that debate.

Undoubtedly, the pressure has a long-term impact on not just people's bottom line, but also their mental health. We have all been dealing with businesses that have been impacted, whether one is in the Perth or Peel region or in the regions. I have had experience of it in my electorate. I also have family that runs and manages small businesses that were directly impacted. It does have an impact. They understand that there needs to be a process that allows us to stop people moving about, but they want some certainty while that is occurring, so they know they will come out the other end with support from their government. I hope we will see movement on that from the government as we go forward.

I draw the Premier's attention to the election commitments. Clause 3 of the Treasurer's Advance Authorisation Bill allows for an advance of funds that are required and that qualify as extraordinary and unforeseen. That is the qualification provided in the legislation for this advance of funds from Treasury. In the briefing, the shadow Treasurer, Hon Dr Steve Thomas, was very up-front with the Treasurer's adviser and the officials. We requested details of the election commitments and other expenditure, so we did not waste the time of the Premier in this place or the spokesperson in the Legislative Council. We felt that it would push the process along a little if we could see what was being included. I ask for this detail to be tabled as part of the debate, because we did not receive it before I started my contribution today. I do not think it is unreasonable from an opposition perspective to expect detail on how

and why these election commitments have been included, especially as we have very significant issues facing the state at the moment.

We have talked about issues facing our health system—a health system that is under significant pressure. There has been no lack of discussion around the shortage of staff in our tertiary hospitals that has put enormous pressure on their emergency departments. That has been borne out in ambulance ramping and the number of challenges that have been reported widely. If I were spending funds on matters that I thought the people of Western Australia would agree were extraordinary or unforeseen, I would have no hesitation getting the tick of approval from everyone if it related to improving our health system.

I mention the hotel quarantine argument about capacity. We have hotels that are coming offline, many Western Australians still stranded overseas, and a worker shortage in key sectors and industries that will continue to only increase, but we do not seem to have an answer from the Premier on that other than to point the finger at the commonwealth and say that it needs to do more. Given that the state's economy relies on agriculture, mining and tourism—businesses that require access to those workers—is there something in the advance that allows us to expand our hotel quarantine system and make it safer? If we are retiring three hotels that are unsafe, but we have investigated and done our due diligence and we are prepared to spend further funds to expand that, because hotel quarantine is what we are going to persist with, and we do not believe it is value for money to go down the path of investing in new facilities, I will accept that if someone has done the work. However, although we have asked the question over the past two weeks, we have not had an answer to that question. It does not appear that any work is being done on alternatives to expand the hotel quarantine system. I do not know whether that is belligerence, because it is easier to have a fight with the feds, or whether it is simply that we think we are doing our bit and we will not have a view to bringing in the people who can assist us with our key industries going forward or to bring back those who require assistance, who are Western Australians, who are Australians, who want to return home and who are in countries that are being ravaged by COVID. If we can do that safely, it is incumbent on all of us, state and federal, to make sure that we are doing it. If that was something that was included as extraordinary and unforeseen, the government would have the tick of approval from most Western Australians. If it is commitments that were made by—I had better not canvass the Deputy Speaker—a new member of Parliament at a local level, I would question the urgency of that. We seek to understand what is being included in that \$750 million from an election commitment point of view and for that to be tabled so we can understand better how those commitments are being prioritised and why they are being brought forward. Do they in fact have business cases attached to them that would assist in that prioritisation process and give us some confidence that these are things that should be included in the Treasurer's advance?

They are the questions from our perspective, particularly around the election commitments. If information were tabled by the Treasurer on this, we would welcome it so that we could make an assessment and not necessarily have to draw out consideration in detail as we asked further questions on that front. The opposition has no issue with the mechanics of a Treasurer's advance bill. We understand that there are always unforeseen spending movements across departments and we appreciate that a briefing was provided in a relatively short time frame. However, I echo what the shadow Treasurer said in our briefing: if we can have access to the information so we can see what is making up the \$750 million in additional spend, this process will go a lot faster and we can all get on with the important business that the Treasurer has to do and move on to the next piece of legislation.

I will conclude. We have a few more contributors from this side. I look forward to seeing the information the Treasurer can provide to assist the opposition to do our job to scrutinise this legislation.

**MR P.J. RUNDLE (Roe)** [3.59 pm]: I rise to support the Leader of the Opposition. As she mentioned, we will generally support this Treasurer's Advance Authorisation Bill 2021, although we have a few questions, and I certainly do, especially about the election commitments.

Firstly, I support the opposition leader and her concern about the Premier also being the Treasurer. I have had a lot of concern from my constituents. As I mentioned in my contribution to the Address-in-Reply debate today, it is amazing that the Premier cannot seem to locate anyone else out of his 75 members who is able to do the Treasurer's role. I am sure you, Deputy Speaker, would potentially be a very good Treasurer. But certainly it could be the likes of the Minister for Transport. I would have thought the member for Armadale, the Minister for Finance, would be very highly qualified in that department.

**Mr W.J. Johnston:** He is a constitutional lawyer.

**Mr P.J. RUNDLE:** Nonetheless, he is also the Minister for Finance, so I would have thought he would be somewhere in the mix. Anyway, that is not to be. The Premier is also now the Treasurer. The Premier is undertaking a massive workload. I worry, with the amount of work he has on his plate, whether he will be able to cover every angle, including the COVID situation. Nonetheless, that is the situation. As the Leader of the Opposition pointed out, through the Treasurer's Advance Authorisation Bill 2021 we support additional health spending, cleaning for schools and public transport, and the \$500 small business and charity electricity tariff offset. We certainly support those things,

but when I get to the line in the second reading speech that says “the forecast impact of election commitments”, I am a bit concerned about the urgency of this bill and would like some clarity on some of the election commitments. I would like to refer to some of the things that happened in my electorate of Roe and the nonchalant approach to election promises there. Hon Darren West gave his contribution to the Address-in-Reply debate over the last day or two and made many random promises to clubs and facilities in Roe. Most of those promises were uncostered. As per the opposition leader, I would like to ask whether they have business cases, whether they have an application process and whether they have been budgeted for. These are the sorts of questions that the people of my electorate are interested in. It appears that if someone was lucky enough to have a chat with Darren over the election campaign and they mentioned a wish list, they could potentially be promised funding. This is the sort of thing I am concerned about.

I will refer to Local Projects, Local Jobs, which the member for Armadale is very much aware of when we talk about the Armadale or Aubin Grove dog parks—those fantastic projects from the previous government that came through. I will refer to the report of the Standing Committee on Estimates and Financial Operations, *The Local Projects Local Jobs program and the establishment of a parliamentary budget office*, which is about that Local Projects, Local Jobs scenario. I will just go on a little bit about those election commitments in Roe. As I said, I am concerned that if someone happened to run across Darren on the election trail, it looks like they might have been in luck. The Esperance Table Tennis Club has been promised \$2 500.

**Mr W.J. Johnston:** What have you got against table tennis?

**Mr P.J. RUNDLE:** I had a game of table tennis on a Thursday morning at the Esperance Table Tennis Club. I did not get the spirit level out, minister, but the tables look pretty good to me!

**Mr W.J. Johnston:** You’re pretty mean!

**Mr P.J. RUNDLE:** I am not being mean; I am just trying to work out the random approach.

**Mr M. McGowan:** You’ve lost the table tennis vote!

**Mr P.J. RUNDLE:** I had a game myself, Premier!

Anyway, as I said, I am concerned about the application process. I am concerned about how this will play out and the equity for clubs, charities and the like in my electorate.

If I may, I will refer to the Standing Committee on Estimates and Financial Operations report, *The Local Projects Local Jobs program and the establishment of a parliamentary budget office*, which it delivered in June 2020. We had Hon Tjorn Sibma as chair, Hon Diane Evers, Hon Jacqui Boydell, Hon Alanna Clohesy and Hon Colin Tincknell. Nathan Hondros in his media article of 25 June 2020 stated —

The controversial scheme, which was a centrepiece of the party’s 2017 election campaign, resulted in 859 payments to community groups for small projects.

But the election commitments drew fire when it emerged 92 per cent of the cash was spent in Labor’s target seats.

There we go. There was an 18-month inquiry by the WA Parliament committee. It did not receive evidence to demonstrate that any new form of sustainable or ongoing employment was created, but the program was called Local Projects, Local Jobs. The article continues —

... Local Projects, Local Jobs program raised expectations that new, sustainable and on-going employment would be created, the government did not track or measure job creation.

Education and Training Minister Sue Ellery was asked by the committee how many jobs the program had created.

“One, this was a branding exercise,” she said in evidence.

“Secondly, it definitely was, though, about stimulus to the local economy. Depending on the size of the commitment, to a very small extent or, in some cases, a slightly larger extent, we knew that we wanted to assist local economies where we could.”

Hon Tjorn Sibma was quoted in the article as saying —

“There’s more emphasis on spin and crafting a narrative rather than there is dealing with matters of substance and I think this now casts a pall across the board on government programs.”

That is where my emphasis is. As I said, we will support the Treasurer’s advance, but once again I question the urgency when we read this paragraph about the forecast impact of election commitments.

Finally, I want to go on to the recommendations of that committee report on the government’s Local Projects, Local Jobs program from the previous election. It recommended that a parliamentary budget office be established to improve the Parliament of Western Australia’s capacity to conduct financial scrutiny. The purpose of that parliamentary budget office is to support members and parliamentary committees by providing independent and

nonpartisan advice on financial matters and policy costing services. This would be an opportunity for a parliamentary budget office of WA to look over some of those election commitments, how they work, whether there are business cases for them and whether someone happened to run into Hon Darren West on the election trail somewhere and was lucky to time it well enough to get included on his list.

**Mr J.N. Carey:** That's so patronising to your own community organisations.

**Mr P.J. RUNDLE:** I am not patronising anyone.

**Mr J.N. Carey:** Yes, you are!

**Mr P.J. RUNDLE:** I am pointing out about the election commitments and my concern —

**Mr J.N. Carey:** You're saying your own sporting clubs do not deserve those election commitments.

**Mr P.J. RUNDLE:** I am not saying that at all. I am saying that I am concerned about the equity over the electorate. That is my concern. I am not patronising anyone. All I would like is some transparency and some process.

Several members interjected.

**Mr P.J. RUNDLE:** That is what I would like. As we saw in the report on Local Projects, Local Jobs, *The Local Projects Local Jobs program and the establishment of a parliamentary budget office*, there are question marks over that and it continues. It has continued in the commitments of the 2020–21 election. With that, I will finish my contribution. I look forward to the Leader of the Liberal Party's contribution.

**DR D.J. HONEY (Cottesloe — Leader of the Liberal Party)** [4.11 pm]: I rise to —

Several members interjected.

**Dr D.J. HONEY:** They must be putting something in the tea.

**The ACTING SPEAKER (Mrs L.A. Munday):** Can we hear from the Leader of the Liberal Party?

**Dr D.J. HONEY:** Thank you very much.

I will make just a brief contribution. I think other members have covered most of this ground. Not to bring the member for Perth or the Minister for Energy into the debate more than they already have been, I wish to touch a little on the issue of funding for election promises and perhaps more the equity around that process.

**Mr W.J. Johnston:** I'm going to get out that video!

**Dr D.J. HONEY:** Just wait, minister.

I understand the purpose of the Treasurer's Advance Authorisation Bill and, clearly, we do not seek to oppose it. Obviously we will support the bill, but in relation to the funding of the election promises, my concern is that we have a government that was elected for all Western Australia, not only for Labor electorates. However, in the apportionment of some of the money sequestered in this bill for election promises, we see a very uneven distribution of that funding. It concerns me —

Several members interjected.

**The ACTING SPEAKER:** The Leader of the Liberal Party is speaking.

**Dr D.J. HONEY:** It concerns me that we see a very uneven distribution of funding based on the probability of whether the government thought it was going to win a seat, but, more particularly, we saw some extraordinarily generous promises in some seats the government was hoping to win. For example, the Swanbourne–Nedlands Surf Life Saving Club has over 350 female members. That is about 50 per cent of the membership in that club. It is expanding rapidly and comprises a large number of young families. Very, very late in the campaign, Labor candidate Gemma West made an offer of \$500 000 of funding for the Swanbourne–Nedlands Surf Life Saving Club. I did not see her a lot on the campaign, but when we met, she was a very nice person. The club has one female toilet for 350 female members and the club is expanding. As I said, they are people with young families. I do not know whether that money is going to be forthcoming now at all.

If we look at the Sorrento Surf Life Saving Club, the government sniffed blood early in the campaign on the seats that straddled that electorate, which were two Liberal-held seats. The government realised it had a good chance of taking away those seats. We saw an \$8 million promise in that seat to replace the surf lifesaving club. Although it was old, it certainly had far more adequate facilities than those at the Swanbourne–Nedlands Surf Life Saving Club. This goes to the heart of saying, "It's an election promise; we'll just fund it." As I said, members opposite are a government for all Western Australia, not just Labor seats. The problem is that, as members on this side have highlighted, we see no clarity on this process and no prioritisation. We saw the contention —

**Mr W.J. Johnston:** It's an election commitment! Go talk to the ALP state secretary!

**Dr D.J. HONEY:** Minister, I have heard your argument several times this afternoon. I do not think I need to hear it again. I understand the point you are making.

Several members interjected.

**Dr D.J. HONEY:** I am simply explaining that I think it is a process that ends up with very unfair outcomes for deserving clubs and that there is no clarity.

We all remember the contention there was when the federal government had its sports funding program across Australia. There was an allegation of terrible misuse of that funding because there was an incorrect allocation of funding across potential recipients and clubs that missed out. Regardless of what members think the mechanism is for doing this, it ends up with very unfair outcomes going to different groups and different areas.

I will refer to Mosman Park Primary School. I know the Premier is extremely busy and I appreciate the difficulty of the job he has, but I genuinely encourage him to go down to look at Mosman Park Primary School. I suspect there is no primary school in Western Australia that is worse than that school in terms of the amenities for the students. That school also includes the Mosman Park School for Deaf Children. Perhaps the Premier is aware—his Minister for Education and Training is certainly aware—that the school has quite a large Aboriginal population. Disproportionately, Aboriginal students are very badly affected by hearing issues and hearing loss. I have travelled extensively throughout the regions of Western Australia, and as late as the weekend, I was travelling up in the Kimberley looking at schools. All the schools I saw in those areas had substantially better facilities than those at Mosman Park Primary School. I encourage the Premier to go down there because no funding at all has been allocated to that school and I suspect it is the most in-need school in Western Australia, especially given the difficulties of many of the students who attend that school. It pulls very heavily from the social housing area in the south of my electorate. As I said, a lot of students there, including those in comparison with a metropolitan average, are disadvantaged Aboriginal students and who need extra support.

If that school had \$8 million, it could be transformed. I went to the school in the middle of winter. There was a young Indigenous boy, about five years old, who came to school with profound hearing problems. He needed one-on-one support from an Australian Sign Language teacher to teach him Auslan so he could then go on to other learning. That little boy and the teacher were sitting out on the veranda in the freezing cold, exposed to the weather, because that was the only quiet space they could get to work together. That is what I am concerned about. I understand the point made by members opposite about election promises, but the trouble is that we end up with very disproportionate funding based on whether it happened to be a seat that the Labor Party was targeting. I think we need to have at least some transparency. At the end of the day, this is taxpayers' money. Election promise or not, there has to be some way to prioritise this. It may be that, in the heat of the moment, a promise was made that was a bit rash and could be revisited. I understand there may be a political cost to that, but again, it is taxpayers' money, not the Labor Party's money, that is being spent. I think that is one aspect of this issue that deserves further scrutiny.

As the Leader of the Opposition pointed out, we asked for more detail on this, including how this money was being split up and expended. The Premier, for one reason or another, did not provide that additional detail. We would still like to see that detail. We do not intend to drag out this bill or go through 1 000 questions in the consideration in detail stage, but I think it is reasonable for the Premier to provide that detail to the opposition so we have an opportunity to understand and scrutinise in detail where the money is being expended.

**MR R.S. LOVE (Moore — Deputy Leader of the Opposition)** [4.20 pm]: I want to make a few comments on the Treasurer's Advance Authorisation Bill 2021 because, as an appropriation bill, it is an opportunity to talk fairly widely about a few matters. I will start by talking about some of the things I have listed here, that being the election commitment component. I ask the Premier whether at some stage there is going to be a list of election commitments that will be funded as a result of promises that were made during the election campaign and whether that list will be published and broken down seat by seat so that all Western Australia can see whether there has been some level of equity in the distribution of some of these expenditures across the state. That is because we know that everybody deserves to be considered.

In my electorate of Moore, I am aware that whenever the Labor lower house candidate, along with Hon Darren West, made an announcement, she said that this funding would be delivered if the McGowan government was re-elected, as opposed to whether or not the particular Labor candidate was elected in the seat of Moore. I am asking for clarity as to whether these projects will be funded as part of the government's election commitments. I can provide a list to the Premier if he wishes; otherwise, I can read them into *Hansard* now.

**Mr W.J. Johnston** interjected.

**Mr R.S. LOVE:** If the minister has something to say, he will get an opportunity in a minute.

I will go through those election commitments. They include \$50 000 for the Gingin–Granville Park and weir project; \$10 000 for the Chapman Valley Historical Society; \$100 000 for the Moora Speedway; \$40 000 for the Bindoon Entertainment Arts and Theatre group, and I think the candidate was involved in that; \$90 000 for the

Denison Bowling Club; \$100 000 for the Toodyay Home of Culture and Arts; and \$150 000 for the Chittering Junior Cricket Club.

**Mr W.J. Johnston:** Why are you opposed to them? These are your constituents; why are you opposed to it?

**Mr R.S. LOVE:** I do not oppose it. I actually asked for more in the original community sporting and recreation facilities fund application. I am a bit disappointed we did not get the full amount!

To continue, there was also \$200 000 for the Jurien Bay Golf Club, and I must put on record that I am a member of this club so that everybody knows that; \$425 000 for Nambung National Park upgrades; and \$30 000 for the Jurien Sport and Recreation Centre. Right across Moore, there is a fairly select group of large communities with lots of little communities, which are not mentioned there, so I wondered why that would be. There are also towns where, surprisingly enough, there are a few Labor voters! Anyway, it is an opportunity for the Premier to commit to those communities that he will be funding them, because although those promises were made during the election campaign, they are still wondering whether this will actually happen. I will be happy to know that, Premier.

As I say, it is important that we have a full understanding of where the funding is across the state. The Nationals WA try to treat every part of the state with a degree of equity. When we were involved in government, the pattern of royalties for regions investments shows that huge amounts were being spent in Labor seats. Unlike this government, we are not averse to spending money in other people's seats. In the Kimberley and the Pilbara in the period we held it—2008 to 2013—hundreds of millions of dollars were spent in some very good investments that are still making a difference today in enabling those towns to handle the mining boom up there. Those investments were long overdue and have proven to be very wise over time.

I have another matter I want to raise because, as I say, this is an appropriation bill and is an opportunity to raise a few matters generally. I have raised this before in this house several times with the Minister for Health, and I now have the ear of the Premier and Treasurer. I speak on behalf of the Mullewa community. In 2016, as part of an ongoing program for, if you like, a modernisation of health delivery systems throughout the state, there was a program called the primary healthcare demonstrator site trial. It picked up a couple of sites in the central wheatbelt, in Pingelly and Cunderdin, and two sites were in my electorate, in Mullewa and Dongara. Dongara was not really surprising, as the model existed and was already very much achieving what the demonstrator site trial was meant to achieve. Mullewa had a traditional country hospital. Once upon a time there were, I think, 38 beds operational in Mullewa Hospital and it was not uncommon for them to be completely utilised. Over the years it has become more of a place to service the aged community and a number of residents in that community were looked after in the hospital. When that announcement was made, I am sorry to say that part of that program was about the closure of the hospital and the development of a new health centre. I was never fond of the idea of the closure of the hospital, but that was the policy and that is what happened. That has meant that no aged care is being delivered in the same way in Mullewa. Promises were made to find alternative ways to deliver that aged care. Funding was given to a group to construct age-friendly accommodation in the area. Those units have been constructed through royalties for regions funding, but with the change of government, some of the levers of government, if you like, have dropped from my hands and those units sit empty, because there is a rental ask and there are some conditions about how they would be rented out, so nobody has taken them up. The age-appropriate housing is not being used, older residents have been taken out of hospital and there is effectively no aged care in the town to speak of. That is a huge problem because it is an aged community and it has a very high level of Aboriginality, and there is a considerable level of need for aged care in both European and Aboriginal communities. It is quite an egregious situation.

The development of the health centre was announced in 2016. It was expected to get underway in 2017, with the expectation that sometime in 2018, the new health centre would be developed. I have raised this previously with the Minister for Health, probably three times or more, in grievances, discussions et cetera in this Parliament and nothing has happened—not a brick has been laid and no development has happened with that centre. In the meantime, certain parts of the hospital have been shut down and it is now becoming a really dangerous situation in Mullewa because health services are not being delivered to the community as they should be. As recently as November 2020 in the last Parliament, I raised this with the minister. I got some undertakings from the minister that measures would be brought forward, but nothing has happened. I ask whether the Premier and Treasurer could look into this. This was a funded program; the money for this program was set aside back in 2016–17. To my understanding, it has been carried forward in the budget ever since. It needs to happen. Part of the program is different from what happened in the wheatbelt—there are many WA Country Health Service districts, so there is different management and understandings. In the wheatbelt, there was a concerted effort to look at the appropriate services that would be available and put into the new health centre. To my understanding, very little of that work has happened in Mullewa and there has been no real work on service planning. The whole idea of these demonstrator sites was not to spend money maintaining older hospital sites that are run-down and heavily dependent on staff for maintenance to keep the place open but to direct that to the types of services that are required in the town. Yet, in the town, the expectation for Mullewa and for many communities in that midwest area surrounding Geraldton is that they travel to Geraldton for everything. Geraldton professional services are not coming out in outreach



into those areas; and, if they do, they come out in a fleet of white cars, they stay for a couple of hours and they go again.

The idea of professional health people being in those smaller midwest towns does not seem to be part of the current WA Country Health Service model, and that is a real issue for those areas. It is so bad that a constituent of mine—this is an issue that I have raised with the Minister for Education and Training—has had to send her primary school-aged child, who is autistic, to live with her family in the Lake Grace area because of the lack of available help in terms of occupational and speech therapy et cetera going out to the school and the Mullewa area. She has two or three businesses in the area and her in-laws are from that area. Surprisingly enough, those sorts of facilities are available in Lake Grace. It is a different WACHS district, which is servicing the areas of need. I am afraid to say that the midwest is far too concentrated on just Geraldton. Not enough help goes out to the likes of Mingenew, Mullewa, Morawa, Northampton and beyond to ensure the communities get the service they need.

With that, I will conclude my contribution to the debate but I urge the Premier to commit to looking at those election promises and ensuring they are carried out, because some people voted for the Labor Party even if it was not successful in winning the seat of Moore. They voted that way in the expectation that those investments would be made and it is quite clear that the investments were promised in the event the McGowan government were re-elected, not in the event the current member for Moore was not elected. Thank you.

**MR M. McGOWAN (Rockingham — Treasurer)** [4.31 pm] — in reply: I thank members for their contribution on the Treasurer's Advance Authorisation Bill. I will talk about the bill for a moment, then I will address the queries of the members of the opposition who spoke on this debate. The bill itself seeks authorisation under section 29 of the Financial Management Act of \$750 million to fund public spending that may arise by 30 June 2021. This is not uncommon in the Parliament and has happened for many years, particularly when a range of unexpected things have happened, or elections for that matter, that require this additional authorisation of spend.

The additional items that need to be covered by the Treasurer's advance include additional COVID-related spending, including the rollout of the national vaccine, in which the commonwealth has been perhaps not so generous to the states in how to manage the costs of the vaccine, which the states will have to pick up; the funding of the small business lockdown assistance, following the events in January and more recently; the allowance for natural disaster costs, including the Wooroloo bushfire and what occurred as a result of cyclone Seroja; the value of election commitments, which we would like to deliver prior to 30 June; and any other unavoidable spending that may occur considering the environment we are in. It is a very unusual environment in which many unexpected things are occurring. That is what this bill is designed to do.

The Treasurer's advance grants access to the consolidated account funding when an agency's existing appropriation is not sufficient to meet its cash needs and when existing appropriation limits under the automatic Treasurer's advance have been exhausted. The automatic Treasurer's advance is three per cent of the prior year's consolidated account funding. It does not provide the government with a blank cheque, and, obviously, any drawdowns are reported to the house in the *Annual report on state finances*, which is released in September of each year. If the funding is not required by 30 June, the authorisation lapses and is no longer available; so if it is not required, it is not spent. That is basically what that means. Parliament approved a similar bill last year. Obviously, at this point in time last year, the situation was even more serious or at least as serious with respect to COVID, so the government had to do the same thing. That bill authorised \$1 billion for the Treasurer's advance to deal with things that may occur as the pandemic began to unfold. By 30 June last year, only \$166 million of the additional funding was required and the remainder lapsed. Although we had a large Treasurer's advance, we did not use it; we used less than a fifth of it. That is the bill before us now. It may not be required but it gives us the capacity to meet needs that have crystallised or may crystallise prior to 30 June this year. That is the situation and the reason behind the Treasurer's advance. It is not unusual; it is designed to deal with all those things.

I will address the points made by the opposition. The Leader of the Opposition asked why as Premier I am also Treasurer. To put a bit of context around that, until 2001, when I was elected to this Parliament, every Premier had been Treasurer. When I was elected in 1996, Richard Court was the Premier and Treasurer—he was both. That had been the case going back for I think the entire history of Western Australia, so there were 100 or so years of the Premier also being the Treasurer. When Geoff Gallop made Eric Ripper the Treasurer, my recollection is that the opposition complained and said it was an outrage, how strange and how unusual it was for that to occur. From that point forward until recently, the Premier and Treasurer were different people. I brought it back together for a range of reasons that I will go through in a moment.

Just so members know, in the ACT, the Northern Territory and Tasmania, the Premier and the Treasurer, or the Chief Minister and the Treasurer, are the same person. In half the jurisdictions of Australia, the Premier and the Treasurer are the same person. I think both those facts might be lost—that is, for 100 years, the Premier and the Treasurer were the same person: David Brand, Charles Court and Richard Court—all of them going back through history—were the same person and it is the same for half the jurisdictions across Australia. Having experienced it

now for six or eight weeks, and having some overlap during a national cabinet discussion, we understand what the committee of Treasurers are considering. It is not a bad thing; it allows us to have knowledge about things. I have discussed this with other Premiers who have the same role and they are of the same view; that is, it allows us to have that breadth of understanding so we can deal with both issues knowing what is going on at both a national cabinet level—formerly known as COAG—and at a Treasurer’s level. I would not be surprised if other Premiers do it, to be honest. I think they have seen the trend and I think they quite like the idea of it. I would not be surprised if it happens also in other states.

The Leader of the Opposition questioned the issue of the GST. I can absolutely guarantee her, having been at meetings with the Treasurers of the other states and territories, that there is a major campaign against the GST arrangements that Western Australia secured a couple of years ago. I can advise members that they have written correspondence and are mobilising on all sides. They do not like it. They do not like what the iron ore price has done. They feel as though they are missing out somehow even though they are not, and they do not like the fact that as of 2026, the entire situation will change whereby states’ funding will be equalised to that of the level of New South Wales or Victoria, whichever is the higher. They do not like it, so they are calling for the Productivity Commission review that examines these things to be brought forward. All sides are saying that, so it is quite problematic. I know the Leader of the Opposition said in the lead-up to the federal election that the federal government will not change its position. That may well be true in the lead-up to the federal election, which could be on us in six months. What will happen after that? All I would say is that it is very important that we elevate this issue as much as we can to defend Western Australia’s position. I think it is very important that we continue to do that. That is what I will do to defend Western Australia’s position. Obviously, if you want to go —

**Dr D.J. Honey:** Where is federal Labor on the GST?

**Mr M. McGOWAN:** I do not know. The member can ask it. I suspect it is on a unity ticket with the commonwealth government at this time. All I will say is that there is a federal election coming and I want to make sure this issue stays on the agenda up until the federal election and beyond it.

We fought hard to get a change in the situation. The reality is that the GST would not have changed but for our election in 2017. At the time the state Labor Party was elected in WA in 2017, the Liberal Party nationally thought Western Australia was rusted on to it. Suddenly, the situation changed, and we secured a better deal. It was the impetus and basis of the change that we secured from then Prime Minister Turnbull in 2018. We moved very quickly after that point.

To cover the other points, the member for Roe raised the same issue about the Premier and Treasurer; I have addressed that. He then said that there should be an application process around election commitments. That is not the nature of democracy. If we want to go to a system in which political parties running for office have to apply to someone else to make commitments, that is not democracy; that is some sort of, I do not know, authoritarian system. It is a very odd suggestion—that the National, Liberal and Labor Parties should have to apply to Treasury or another body to make an election commitment. I do not know who the member is suggesting the application should be made to, but it is an odd suggestion, and I think it shows a misunderstanding of the nature of democracy. We make commitments to get elected, and if we are elected, we deliver our commitments. That is what happens. That is the way the democratic system works. I think it is a very odd suggestion that we should go through some sort of application process. I do not know why the member has the idea that there should be some sort of higher authority that parties should answer to in order to make election commitments, but it shows that the member basically does not understand the nature of the democratic process. If a party is elected after making commitments, it delivers on those commitments.

The member for Roe then claimed that our policies were uncoded. Quite the contrary: we submitted all our policies to Treasury and they were all coded. The member might recall that in the lead-up to election day, the former Treasurer went out and announced all our policies and had Treasury endorsement for all of them. Not only did he do that in the week leading up to the election; he did it every week during the election campaign. For the first time ever in the history of Western Australia, a party actually had its policies coded on a weekly basis by Treasury and publicly released those costings. We went out and faced the press: “Here are our policies, and here are the Treasury costings of them.” That had never been done before, yet the member says our policies were not coded. We had the most coded set of election commitments in the history of the state—\$2.4 billion worth. They were coded on a weekly basis. That went on for six weeks or eight weeks or so—whatever it was—during the election campaign, and every week we went out and faced the press. It is fair to say that the press was not that interested; it was so boring, because we were so straight and accountable. It was pretty boring for the press that there were Treasury costings for all the policies we had announced. Every single one was bound up with all sorts of figures alongside it.

That is what we did. What did the opposition do? I do not think the Nationals WA actually did any costings. It made commitments worth many billions of dollars, but it did not actually do any costings. The Liberal Party, however, did—on the Thursday before the election. Until that Thursday, I thought that Sean L’Estrange was going to hold his

seat, but as of that day, things might have gone a bit bad for him! I think even the current member for Churchlands might have thought he was going okay up until that point.

What did the Liberal Party do? Its costings were hopeless—the worst ever seen. I think the built-up stress and tension in the press gallery—the press really had not much addressed the Liberal Party’s commitments—exploded on that day. Basically, the Liberal Party’s costings were a complete shambles. I inform members opposite that we have had the Liberal Party’s energy policy costed since the election campaign. Do members know what it came in at? It came in at \$15.3 billion, and that did not include some of the transmission lines that needed to be in there. That is what it came in at. The Liberal Party and the National Party —

**Dr D.J. Honey** interjected.

**Mr M. McGOWAN:** Leader of the Liberal Party, that is what happened. He can sit there with his single colleague and protest, but that is the reality. He can sit there with his deputy and protest against history, but that is what happened. The Liberal Party was exposed; that is what occurred. It did not put its policy to Treasury and it did not have it costed; that is the reality of what occurred. The member for Cottesloe was the shadow Minister for Energy at that time. That is the history of the first three months of this year in Western Australia.

When I was elected to this place, the Liberal Party of Western Australia, with Richard Court as Premier, had members stretching around to the other side of the house. These days, the Liberal Party of Western Australia has two members sitting in that corner. That is because everyone in Western Australia saw what the Liberal Party did, how its members conducted themselves and how its policy creation process worked. It all crystallised a couple of days before the state election. That is what happened. We have had its policy costed. Do not worry; more information will come out about that in due course. I do not expect there will be a great deal of interest in it because of the Liberal Party’s current predicament, but that is what has occurred.

**Dr D.J. Honey:** Bring it on!

Several members interjected.

**Mr M. McGOWAN:** You bring it on! You bring it on, member for Cottesloe!

Several members interjected.

**Mr M. McGOWAN:** As you can see, a lot of people here are terrified of you! You know exactly what happened, and we all saw it in the lead-up to the election: four years of no work, four years of no policy preparation and four years of no organising a succession plan for leadership. None of that was done for four years. Then, in the lead-up to the election, the Liberal Party promised the world. There were the \$10 000 grants that were going to go to every business, but not a single dollar of that was costed. I was in here when the former member for Darling Range demanded \$10 000 for every business in the state. Then it was raised during the election campaign: “Where’s the \$10 000 for every business in the state?” We then looked at the costings, and there was not a single dollar for it. Do members opposite think people did not notice that? I had lifelong Liberal Party supporters, even members, coming up to me and saying how hopeless the Liberal Party is. On election day, people who were handing out Liberal how-to-vote cards were telling me that they were not going to vote Liberal! They were handing out the cards as a favour to a friend. That is what was occurring. That happened because of the way in which the Liberal Party conducted itself and continues to conduct itself.

Next we heard the Leader of the Liberal Party’s arguments. He referred to Mosman Park Primary School. I am unfamiliar with the exact details of Mosman Park Primary School, but that school is within the electorate once held by former Premier Colin Barnett. The member for Cottesloe stands there and says how bad it is. I simply pose the question: if it is that bad, why did Colin Barnett not do something about it?

**Dr D.J. Honey** interjected.

**Mr M. McGOWAN:** Why did he not do something about it?

**Dr D.J. Honey:** You’ve been in government for four years. There is nothing in the forward estimates.

**Mr M. McGOWAN:** I ask a question of the member for Cottesloe: did you make a commitment to it in the election campaign?

**Dr D.J. Honey:** Yes, I did.

**Mr M. McGOWAN:** What was that?

**Dr D.J. Honey:** It was a \$2 million upgrade to the school for the deaf.

**Mr M. McGOWAN:** Right; okay. So, eight and a half years of Colin Barnett as the member—sorry, 25 years of Colin Barnett as the member —

**Mr S.A. Millman:** And Minister for Education before that.

**Mr M. McGOWAN:** And Minister for Education back in the 1990s and early 2000s, and nothing was done. Now the member for Cottesloe rolls in here in this debate and demands to know why I have not fixed Mosman Park Primary School, which, to the best of my recollection, the member has never raised with me before.

**Dr D.J. Honey:** I've raised it directly with the minister.

**Mr M. McGOWAN:** The member has never raised it with me before. As part of his contribution, he actually said, "Why don't you break some election commitments?" He said, "Oh, it might be politically difficult, but you need to break some election commitments to fund our election commitments."

Several members interjected.

**Mr M. McGOWAN:** Again, I did not see that coming! Then you said that the distribution of commitments is uneven. Do you want to know where the biggest commitment we made was? Do you want to know which electorate that is in? Nedlands. Nedlands is actually where the biggest commitments that this government has made in its time in office have been made—a \$1.8 billion women's and babies' hospital, and the build of Bob Hawke College stage 1 and 2, which is over \$100 million. The two biggest election commitments that we made, totalling around \$2 billion, were in the electorate of Nedlands. Then you ask, "Why didn't Liberal Party electorates get anything?" I mean, that is a pretty unusual argument that you are putting when those two things occur.

**Dr D.J. Honey** interjected.

**Mr M. McGOWAN:** It is \$2 billion towards the electorate of Nedlands. At the time, it was Sir Charles Court's seat, Richard Court's seat, Sue Walker's seat, ex-Liberal Party deputy leader Bill Marmion's seat and the seat of a whole range of Liberal luminaries going back 70 or 80 years. It was their electorate. We made the commitment to fix the school and we delivered, something that the former government struggled with for eight or 10 years. We did it. We fixed it. We provided the people of Nedlands and Subiaco and surrounds with a state-of-the-art school. That needed to be done. We fixed a longstanding problem for the area. Our biggest commitment, \$1.8 billion, was within that electorate. I am sure the people in that electorate will appreciate it enormously. But then the Liberal and National Party members ask why we are not committing anything to Liberal or National electorates. We did, and we have, all over the state, within financial parameters that were achievable and affordable—\$2.4 billion worth. Between the two of you—the Liberals and Nationals—when we add up all your commitments, it was somewhere in the vicinity of \$25 billion! You actually committed 10 times what we did, including your \$15.3 billion electricity policy. Then you did not have it costed by Treasury and then you had the train wreck costings day, two days out from the election. You now sit there, sort of angry. You should be angry at yourselves. You are the masters of your own domain. You are the people who created the situation that you are in, because that is what you did. Then you sit there smarting and angry and sniping and so forth. Have a look in the mirror. The Liberal Party needs to have a look in the mirror as to where it is at.

As I said, when I got here, there was Richard Court, Colin Barnett, Hendy Cowan —

**Mr S.A. Millman:** Norman Moore.

**Mr M. McGOWAN:** And Norman Moore—all these sort of Liberal-National Party luminaries dominated this house. Labor had 18 or 19 seats. It was a difficult period. Do members know what we did, and what I did in my first term—indeed, in every term? We worked. We did what was required to win office. What members opposite did when they went into opposition in 2017 was they did not work. They did not do any of the hard work, costing, policy development, preparation of people for high office—all the things that needed to be done in order to win office. They did none of that. Therefore, they are in their current position. Members opposite then ask: why is it that—this is so unusual; so highly irregular—a government would seek through a Treasurer's advance to deliver election commitments?

**Dr D.J. Honey:** No-one said it's highly irregular.

**Mr M. McGOWAN:** The member's colleagues did. When had that been done before? Treasurer Buswell introduced the Treasurer's Advance Authorisation Bill 2009 for the newly elected Barnett Liberal-National government, which sought \$762 million to fund the new government's commitments in that financial year, including \$337 million for royalties for regions. That is what happened back then. That is because when we go to an election, we will often say that we intend to have this commitment delivered by this date; we intend to fund this by this date. That is the nature of commitments in an election campaign. The Liberal and National Parties would have done that back in 2008. We did that in 2021. It is not unusual, and, proportionately, compared with the size of the budget, what they did in terms of election commitments was many multiples to be delivered by the Treasurer's advance of what we did in the most recent state election campaign. So, it is not unusual. That is what we are doing—exactly the same as was done back then—and I suspect it has been done in many election campaigns over time.

I think sometimes there is a bit of a misunderstanding—perhaps deliberate by some people—that somehow election commitments are bad. I read this in the press sometimes: "They've made an election commitment here. Why not there?" I think someone—it might have been the Leader of the Liberal Party—said that every electorate should get the same amount of election commitments. Some area might have a greater need; it might need a highway or a road

built. It is an odd thing to say that if that electorate gets that road built, every electorate should get the same amount spent on it. It is actually quite an immature argument that somehow that is the way it should happen.

**Dr D.J. Honey:** It's one you made up yourself. Who said that?

**Mr M. McGOWAN:** They were the sorts of things you were just saying.

**Dr D.J. Honey:** Who said that? I didn't say that.

**Mr M. McGOWAN:** You were just saying these things. It is "you" as in plural. You were saying a lot of silly things, to be frank.

**Dr D.J. Honey:** I didn't say them. Who said it? You made up your argument yourself.

**Mr M. McGOWAN:** You said to me that we should break election commitments in order to fund some of your priorities. That is what you said. You should stand by that, because the *Hansard* will prove that is what you said. That is what the Liberal Party and National Party are actually alleging—this government got elected on a set of commitments and it should break them to fund their commitments. I think the public actually voted and said whose commitments it was in favour of. I think that was pretty clear.

**Dr D.J. Honey:** They voted on COVID.

**Mr M. McGOWAN:** What was that?

**Dr D.J. Honey:** They voted on COVID.

**Mr M. McGOWAN:** Okay; that is your argument. I think people vote on a whole range of things. I think what they did was they voted for one side, and they said they wanted us to deliver our commitments, so that is what we are going to do. This is part of doing that. But we are going to do that in a financially responsible way, because that is our nature, and that is the way this government has conducted itself over its time in office, far more so, I expect, than any other government in Australia currently, and certainly more so than any government in recent history in Western Australia. We will do that. As I said, the totality of our commitments was \$2.4 billion over four years, costed by Treasury. That was it.

We saw the difference in the campaign between how the Liberal Party and the National Party conducted their commitments and how we conducted ours. I think the public noticed that. As I said, a great many people came up to me and indicated that they will be supporting this government and will not be voting for the Liberal Party or the National Party. They were people who had never voted Labor before, frankly. I think a range of factors was involved in that. If the member for Cottesloe wants to ascribe it to COVID, go ahead. We know that we had a very different approach to COVID from that taken by members of the Liberal and National Parties. All I copped for 14 months—the most stressful 14 months of my life—was criticism and undermining by them. That is all we copped every day. I can roll out numerous examples, such as those press conferences out the front, where they went out there and attacked and undermined everything we tried to do to keep the state safe, all the time. It did not stop, and it still does not stop. I urge them to be a little more supportive, a little more constructive and a little more understanding of the situation that the state is in and perhaps how we have gone compared with anywhere else in the world. I guarantee that the public knows this, because they see on television every night how Western Australia has gone compared with anywhere else in the world.

Finally, the member for Moore raised issues around Mullewa Health Service. I do not have any details about the issues raised by the member. I do not know whether my advisers will have any details about that, but if the member would like to write to me about what is going on with the health service in Mullewa, I will try to find those details. I am sure that it is an issue that is of interest to me and everyone. The Minister for Health today talked about the hospital rebuilds and improved services all over the state that we committed to during the election campaign and over the last four years and that we will deliver. I would like to get some details about Mullewa. I like Mullewa as a town and I would like to make sure that the people there get treated well. I urge the member to drop me a note and I will follow up on that issue.

Question put and passed.

Bill read a second time.

[Leave denied to proceed forthwith to third reading.]

*Consideration in Detail*

**Clause 1: Short title —**

**Ms M.J. DAVIES:** I thank the Premier for his explanation in responding to the questions that we asked. Can the Premier explain the calculations within and the rationale behind the Treasurer's Advance Authorisation Bill 2021, and whether this request is consistent with previous budgets in an election year, including the buffer that is included in the amount?

**Mr M. McGOWAN:** Thank you for the question. As I outlined in my second reading speech, this was done in 2009, close to the September 2008 election, to meet the \$760 million-odd of election commitments made by the newly elected Barnett–Grylls government. The government did it then largely because of the election commitments. We did it last year to the tune of \$1 billion simply because of the extraordinary circumstances that hit us with the COVID-19 pandemic and all the potential expenditures. As it turned out, we sought \$1 billion as part of the Treasurer’s advance, but only \$166 million of that was used as of 30 June last year. The reason for this advance, as outlined in my second reading speech, and, again, in my second reading reply, is a range of contingencies and unexpected expenditures—COVID-related matters, small business assistance grants, the cyclone and bushfire responses—that were never budgeted for, in addition to a number of election commitments made this year. It reflects the circumstances that we face this year whereby COVID and other issues such as bushfires and cyclones continue to cause the state to make additional expenditure.

**Dr D.J. HONEY:** I understand that the Premier was going to provide more detailed information to the opposition about the expenditure in the Treasurer’s advance, but that information has not been forthcoming to the shadow Treasurer. Is there any reason the Premier is unable or unwilling to provide that information?

**Mr M. McGOWAN:** I have some documents that I am happy to table. They include everything in the *Pre-election financial projections statement* that was identified as being needed for the Treasurer’s advance—that is, a \$786 million allocation of spend. It includes money for the Perth City Deal; COVID-related issues; the HomeBuilder grant scheme, the take-up of which was stronger than we expected; the expansion of the alcohol and other drug unit at Casuarina Prison; a subsidy for Transperth services; the mining royalty assistance towards Koolyanobbing iron ore mine; the \$500 small business offset for the lockdown in January; and a number of other things. I will table that document that covers \$786 million.

The issues that have arisen since the *Pre-election financial projections statement* include the vaccination program, \$148 million; the small business lockdown assistance grant for the more recent lockdown, \$31.8 million; the natural disaster response, \$50 million; election commitments, \$220 million; and a buffer for unforeseen issues that might be needed if COVID issues erupt again. I seek to table that document, too.

Finally, I have a list of the election commitments that the government seeks to deliver. They are spread all over Western Australia in a range of communities and places. I think it is predominantly capital spend.

[See papers [222](#) to [224](#).]

**Dr D.J. HONEY:** I appreciate that detail. I do not think I have heard the Treasurer say it, but has any of the Treasurer’s advance been allocated to planning on the Metronet project, or is that not included?

**Mr M. McGOWAN:** To the best of my knowledge, and on advice, no.

**Ms M.J. DAVIES:** Can the Treasurer explain how the decision to prioritise the election commitments so that they would be delivered in the first half of the year was made? Who makes that decision? Is it the Treasurer, the Expenditure Review Committee or cabinet?

**Mr M. McGOWAN:** We have very effective ERC processes. It goes through ERC and to cabinet, where those decisions are made. I do not know what happened in 2008–09, but according to the figures I have, the election commitments make up \$220 million. Back in 2008–09, the election commitments were in the vicinity of \$767 million, including \$367 million for royalties for regions.

**Ms M.J. DAVIES:** I do not have the list of commitments that were just tabled yet, so it is hard to tell whether they are time sensitive in relation to needing to be delivered as part of the Treasurer’s advance or whether they could, in fact, be scheduled over the next four years.

**Mr M. McGOWAN:** We are very keen to achieve things. The Leader of the Opposition will get the list in a moment, but, for instance, we have made commitments for flood support for Carnarvon. That is time sensitive. A range of capital projects for around the state will be delivered relatively easily. As the Leader of the Opposition would know, we are trying to get as much activity as quickly as possible. But, in many ways, we cannot win, because, obviously, as the Leader of the Opposition said, if it is delivered over four years, the opposition will say that we have not delivered; whereas, if we do deliver, it will say that we are delivering too quickly.

**Ms M.J. Davies:** I am just trying to understand the priorities.

**Mr M. McGOWAN:** How are we supposed to win?

**Dr D.J. HONEY:** For the Koolyanobbing payment to repay royalties, how much of the royalties have been foregone to date and what can we anticipate for this financial year?

**Mr M. McGOWAN:** I do not have that detail to hand. This is a longstanding issue, from memory, surrounding the magnetite producers because of the cost that they incurred and the fact that there were some issues around their continuing viability at various points in time. The arrangement may have spanned two governments and, as I recall, they were to ensure that the magnetite producers remained viable and operational. According to the advice that I have tabled,

the cost, if you like, is offset by the rise in royalty income, and that is probably about the price, so the price has assisted in achieving that. Obviously, governments have had to make decisions. I think the last government may have put in an assistance program for some magnetite producers to ensure that they survived a low price. As we know, magnetite is not as profitable as hematite. The magnetite industry has much higher costs of production and often employs more people because a lot of the processing is undertaken here. The decision to keep those major investments operational and productive and, therefore, employing Western Australians, and reducing the royalty rate as a consequence, was made by Colin Barnett as state development minister. I continued that when I was state development minister.

**Dr D.J. HONEY:** I understand the argument in relation to magnetite, and I also understand the good sense in making sure that this operation is viable. Was any consideration given, though, to a cap based on the iron ore price in terms of royalty relief? Clearly, with an iron ore price of \$US200 a tonne, that is substantially above any level that is required for an operation to be profitable.

**Mr M. McGOWAN:** The member is asking me about things that are not really part of this bill. If he wants to put a question on notice about that, I will try to get him some answers. I do not have the state development minister's advisers here to answer those things. As I recall, the arrangement was a continuation of the arrangement that was put in place by Colin Barnett when he was state development minister. It may have been for three magnetite mines. These decisions are sometimes made to keep a major investment operational. For instance, for the Koolyanobbing iron ore project, which I think is in the midwest, the decision was to keep it operational. We did something similar—not exactly the same—down at Cliffs to keep it operational and to keep hundreds of people in jobs, including in the port, in the mines, in transport and in Esperance. We got a lot of criticism over that, but what was the alternative? Why should 1 000 people lose their jobs when we can keep them employed?

**Dr D.J. Honey:** That wasn't the point.

**Mr M. McGOWAN:** I do not have the detail about what the member is asking with me. When the budget comes out, the member can ask questions in the estimates hearing. The member could put a question on notice. He could give me some notice of a question or give the Minister for State Development, Jobs and Trade some notice and ask a question in question time tomorrow after we have had an opportunity to get more advice on those specific aspects.

**Ms M.J. DAVIES:** Thank you, Treasurer, for tabling the information. I am looking at "Attachment A", which is a list of election commitments. I note some headings of individual election commitments are "Community Infrastructure—Minor", "Minor School Works", "School Package (Infrastructure and science resource grants)", "Sport and Community Infrastructure" and "Transport and Road Safety—Minor". Is there any way that we could get the detail sitting behind that list? Would the Treasurer be willing to table that information so that we could look at it?

**Mr M. McGOWAN:** I do not have that information at hand. I think the member for Roe identified a \$2 500 grant to a table tennis club in Esperance. I do not have that information at hand. This is the best information I have at hand on government commitments. These are our election commitments. We are delivering on our election commitments. Opposition members complained a lot about our election commitments in their speeches a moment ago, but they are election commitments. We travelled around and met people and made commitments—that is the nature of democracy—and we are delivering on them.

The reality is that we will deliver what we can as quickly as possible. I do not want the Leader of the Opposition to ask me questions in here in two or three years' time about what happened to the Kalgoorlie–Boulder basketball court. I want to deliver it, particularly if it is easily deliverable. These sorts of things are relatively easy to deliver, whether it is a grant to an arts organisation or a grant to a sporting club, or whether it is a grant to a multicultural group. They are relatively deliverable. That is the nature of these grants; they are election commitments.

I could go through the opposition's election commitments and find scores of grants that it was going to make to organisations. That is the nature of democracy. I know that there seems to be some contention that somehow there should be some higher approval and we should get someone to approve our commitments. If that is the case, let us not have a democracy; someone else could be running the show. Our Treasury people could be running the show. I am sure that they would be happy about that! If we did that, we could dispense with this chamber and everything that goes on in here. We could have boffins running the show, although they probably do not like me calling them boffins. I meant that in the nicest possible way. We could have technocrats running the show, as happens in some places around the world, but that is not Westminster democracy. We make commitments and we deliver on our commitments.

**The SPEAKER:** Just before I give the Leader of the Opposition the call, I draw members' attention to the fact that we are dealing with the short title of the bill. Clause 3 authorises the expenditure, and I have been happy to allow a little bit of latitude to follow up on things, but I am hopeful that we will perhaps move off the short title sometime soon and that people's comments or questions will be relevant to it. If there are further questions about expenditure, they might be better dealt with under clause 3.

**Ms M.J. DAVIES:** Thank you very much, Madam Speaker. I will take your guidance on that and I will hold the question I had about the Treasurer's statement just then, but I will make the comment that I am in furious

agreement with him that, as members of Parliament, we are fully entitled to make commitments and we are judged on them and our ability to deliver them come election time. I had this exact debate with John Langoulant as he was doing the review of royalties for regions when we came to opposition at the end of our term in government. I was very happy to stand beside the commitments we had made and also to have them publicly listed. My question to the Treasurer previously was simply that, although I have no issue with the government delivering commitments, I just want to know what they are. There are a number of lines, which I will come back to under the relevant clause, for which I am trying to understand exactly what the commitments are. I have no problem with the government delivering them, but I am just trying to find out what the government is going to deliver.

**Clause put and passed.**

**Clause 2 put and passed.**

**Clause 3: Authorisation of expenditure to make payments in respect of extraordinary or unforeseen matters or to make advances for certain purposes —**

**Ms M.J. DAVIES:** I will have another go. I refer to “Attachment A” and I am asking whether the Treasurer could provide today or whether there is a willingness to provide by way of supplementary information or tabling—if that is permitted; I am not sure—a list of the items that would fall under “Community Infrastructure—Minor”, “Minor School Works”, “School Package (Infrastructure and science resource grants)”, “Sport and Community Infrastructure”, “Support for our local arts” and “Transport and Road Safety—Minor”. The others I can see; I have no doubt there are media statements attached to those commitments. There is just a lack of detail about those particular matters. They are not insignificant. They are amounts of around \$13 million, \$14 million, and \$57 million in one case for sport and community infrastructure. We would like to see what the individual commitments are so that we can understand what the government hopes to deliver in the next six months or whatever time frame the government needs to spend the money, and what that time frame is.

**Mr M. McGOWAN:** I do not know how it worked under the former government, but it is not as though the \$2 500 to the Esperance Table Tennis Club is debated at the Expenditure Review Committee. We do not go to that level. But, as the member can see, there is a range of global amounts for various things. I think this happens in every agency all the time; they have an amount of money. The Department of Biodiversity, Conservation and Attractions has a global amount for investment in national parks. It does benches, roads, barbecues, lean-tos, rehabilitation and the like, and it has a global amount. That happens in every agency. I have given the best list that I have in relation to these things. What happens, of course, is that when a grant is given to the Esperance Table Tennis Club, there is a grant agreement and there is an audit process that it may be required to be a part of. That is for grants across government. We have not had any significant experience of impropriety or anything of that nature around these things. These things happen all the time from the state government. Indeed, these grants are very small in comparison with royalties for regions funding. That happens all the time. I cannot provide the member with supplementary information. That is not the nature of this debate. Again, I ask the member to put a question on notice and I can have a look what can be provided and what level of granular detail we have about these things.

**Ms M.J. DAVIES:** Just so I am very clear, the Treasurer just told us that he is excited to deliver these election commitments. The government made them prior to the election and it has local members out there wanting to deliver them. I am giving the Treasurer the opportunity to tell me what those projects are in the lines for sport and community infrastructure, the school package, the minor school works and community infrastructure, and whether it can be provided. If we need to do that by asking another question in the Legislative Council or by putting a question on notice, I am happy to do that. We are not questioning the fact that the government has made the commitments; we simply want to know what they are. They are election commitments.

**Mr M. McGOWAN:** I think what I had to say about our election commitments was very plain. They fit within the \$220 million envelope. From a cursory glance at them, they appear to be very, very worthy. They are spread all over Western Australia, from the south to the north. I can see that the list starts with “Albany Surf Life Saving Club” at A. There is “Kimberley Sport and Community Infrastructure” in the list as well, so they go from the north to the south and from the east to the west. Regarding the granular detail that the member is asking me for, this is the level of detail I currently have. As I said, I cannot provide supplementary information through this process. That is provided only in a budget process. If the member would like to put a question on notice to us, I can see what further information can be provided.

**Ms M.J. DAVIES:** Can I assume there will be business cases attached to these? There are promises here for things such as the communities renewable project, and I do not understand what that is, but there are “Community Sporting Clubs”, “Fremantle City Football Club”, “Full Circle Therapy Centre” and “Geraldton Basketball Stadium”. Can I assume that there are business cases attached to the expenditure of this funding; and, if so, did they go through a cabinet process before they were funded?

**Mr M. McGOWAN:** These are grants. For instance, when I was in Geraldton in the lead-up to the election, I made a \$2 million commitment to the Geraldton basketball stadium. There was a project there that we looked at and



endorsed. We then put all our costings into Treasury, which properly costed these things and found that, in fact, sometimes we had over-costed some of our commitments. Our costings process was the most exacting in the history of the state. We did it every week. The policies that we announced during a week were put in and they were costed and released that week. That had never been done before. It was a great process and it was very disciplined, and our \$2.4 billion of commitments ended up at \$2.4 billion as costed by Treasury. Therein is the process. As I said, these are election commitments. I went to Kalgoorlie with the now member and we went to the Kalgoorlie–Boulder basketball court. There is a huge demand for basketball courts out there, I might tell the member! We made a commitment of \$5 million toward some improvements and expansion of the Kalgoorlie–Boulder basketball centre. That is what happens in an election campaign. The nature of it is that the commitments were all costed by Treasury, they all received the tick off, they were all announced prior to our election and now we are delivering them.

**Dr D.J. HONEY:** I thank the Treasurer for that explanation. I will certainly put in a question on notice about the detail. I appreciate that the Treasurer cannot give me the answer now, but as the local member for Cottesloe, I am especially keen to make sure that the Swanbourne–Nedlands Surf Life Saving Club is going to receive its \$500 000 towards much-needed facilities. I do not expect the Treasurer to respond to that! I quickly scanned through the figures but perhaps the departmental officers could tell me how much of the Treasurer’s advance is due to the \$500 power rebate? I see it is mentioned in attachment 1 as a line item being mostly attributable, but is the Premier able to provide the number? There is a general description that one line is in relation to that and other things.

**Mr M. McGOWAN:** When we had the lockdown in late January, we decided to provide small businesses across the state a \$500 grant as an offset on electricity, a bit like we did with the Bell Group payment. Obviously, Synergy and Horizon Power customers were the beneficiaries of that grant. In any event, we then announced that we would be expanding the eligibility because a range of small businesses and charities do not have their own electricity account, so it is very hard to deliver \$500 to them. We have been dealing with that issue over the course of the last couple of months since we have been re-elected, because, obviously, we could not resolve that in the caretaker period. The reason we wanted to expand the eligibility was for a range of businesses, particularly those inside shopping centres, that do not have their own electricity accounts and therefore could not get the \$500. I thought it was unjust that they were not beneficiaries while businesses outside shopping centres were beneficiaries. That is why we did that. That is what this commitment is about. It has a lot of administration associated with it and making it work is not easy, but that was our commitment and that is what we will deliver. Our preferred option is to avoid these sorts of things, which is why we have made the changes to hotel quarantine. We are basically moving out of three hotels as we speak.

**Dr D.J. HONEY:** It is not a major issue but the line reads “predominantly attributable”. When we say “predominantly”, I am not trying to be cute, but I am trying to ascertain what other things fall inside that or is it effectively nearly all of it?

**Mr M. McGOWAN:** The advice I have is that it has been driven by small business and charity offsets. Perhaps the word “predominantly” is there in order to provide some scope if there were something else that my advisers cannot currently provide me with an example of.

**Dr D.J. HONEY:** I read in *The West Australian* that the government has renegotiated the coal contract to Synergy. Does any of that renegotiation or does any of the budget allocation for that renegotiation appear in this advance or will it appear elsewhere in the budget?

**Mr M. McGOWAN:** I am advised no.

**Mr R.S. LOVE:** In the information that was provided a minute ago, there is \$50 million for natural disaster response. Has that money already been spent? Has that money been allocated for future expenditures? Is there a program in place for that money? Can the Treasurer tell me a little bit about where the money might be going?

**Mr M. McGOWAN:** This is a funding source if we need to go up to that amount of money. We have already announced a range of things that will fit within it, including the cyclone Seroja grants programs, repair work and some of the bushfire grants programs, as well as any unforeseen expenditure we do not yet know about in response to those things. Bear in mind that 30 June is still six weeks away. It includes clean-up costs and additional expenditure for the Department of Fire and Emergency Services. These things are very expensive, as the member might understand. We have both seen it; they are very expensive. This gives the government the capacity to meet some of those costs as they might come along. It may well be that it is significantly under \$50 million. We do not know, but the Treasurer’s advance gives us the capacity should we need it.

**Mr R.S. LOVE:** Treasurer, the Minister for Emergency Services mentioned that there is an application or process underway to put forward a category C application under the natural disaster relief arrangements. Would this money also be available for that? There is a commitment of state money required to be matched—I think the ratio is 75 to 25 or thereabouts. Is that envisaged to be delivered anytime soon? Does the Treasurer expect that to happen before the end of the year?

**Mr M. McGOWAN:** I have written to the Prime Minister about that. I think it is called category C and category D. Obviously, there are categories A, B, C and D. That is all very complex and there are different things that come within each. I asked the Prime Minister to go to Kalbarri and I said we would work together. We did; we had a meeting and I think it went pretty well considering. I have written to the Prime Minister on all those issues. Those matters are handled by people who are experts because they deal with cyclones and bushfires every year over east and we deal with cyclones every year. This may well help, but the commonwealth money is paid in arrears—so expenditure is undertaken and then reimbursed by the commonwealth. This \$50 million is there as an outlying amount should we need to do something. Sometimes we cannot foresee what that might be. We might have another grants program. We might have a big tourism promotional program for Kalbarri. They are the sorts of things that could happen. We will see how it goes. Strangely enough, considering the reduction in the amount of accommodation currently available, Kalbarri might be so overrun with tourists that it cannot accommodate them, so it may not need a promotional tourism campaign. They are all the sorts of things we will look at. This money would no doubt assist us in responding to all these things.

**Dr D.J. HONEY:** There is \$750 million in the *Pre-election financial projections statement*. I will not go through it agonisingly line by line, but the single biggest item is item 54, \$166 million for delivery of service for WA Health. Is it possible to obtain at least some granularity of what that total allocation corresponds to?

**Mr M. McGOWAN:** It is for broad COVID costs, so it might be personal protective equipment or vaccine costs. A lot of them come along. It is a funding provision for those sorts of things and the costs are acquitted later.

**Clause put and passed.**

**Title put and passed.**

[Leave granted to proceed forthwith to third reading.]

*Third Reading*

Bill read a third time, on motion by **Mr M. McGowan (Treasurer)**, and transmitted to the Council.