

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 4 June on the following motion moved by Hon Stephen Dawson (Minister for Environment) —

That pursuant to standing order 69(1), the Legislative Council take note of tabled papers 2664A–D (budget papers 2019–20) laid upon the table of the house on Thursday, 9 May 2019.

HON ALISON XAMON (North Metropolitan) [1.18 pm]: I want to use this opportunity to make some comments about this budget, with particular focus on how it pertains to my shadow portfolio areas. I acknowledge from the outset that the budget is becoming healthier. I acknowledge also that in achieving that outcome, there has been a considerable amount of pain, particularly in the community sector and the public sector. I recognise that turning the budget around was necessary but I think it is really important that when we pat ourselves on the back, particularly when the government pats itself on the back, about the latest budget figures, we should remember that it has not been without considerable pain for certain parts of our community. It is essential to remember that when a person is struggling day to day and when they have particular challenges in their life, it can be very poor comfort to have a bunch of budget papers waved around in their face and be told that everything is going to be okay. Unfortunately, we have to recognise that life for many in our community continues to be quite hard and a struggle. Unfortunately, we still continue to underfund in a range of service delivery areas. They are some of the areas in particular that I want to talk about today.

It will come as little surprise to members that I want to start by talking about some of the elements of the mental health budget. The budget does not reflect a move towards rebalancing the system, as originally called for within the “Western Australian Mental Health, Alcohol and Other Drug Services Plan 2015–2025”. I want to at least acknowledge that, unlike last year, that plan is at least referenced within these budget papers. That raised a considerable level of disquiet within the mental health sector, because people were concerned to ensure that the 10-year plan was not abandoned. As I have said many times in this place, the 10-year plan —

The PRESIDENT: Member, I am going to interrupt you for a moment. Hon Alison Xamon has a very significant voice but it is not always a very loud voice compared with some others in this chamber. There is a bit of noise bubbling around the chamber that is making it very difficult for me, others and Hansard in particular to hear her. If you have to have a conversation, you might want to step outside briefly so that we can hear what she has to say.

Hon ALISON XAMON: Thank you, Madam President. It is true that although I have much to say, I am a little woman and I have a little voice box to match my size. Therefore, it is difficult for me to speak any louder than I biologically can now.

I remind members that the 10-year plan came out of the mental health sector. It is a product of extensive consultation right across the mental health sector and, as such, it is very important to ensure that we continue to invest in that plan. It is not a party-political plan; it occurred under a Liberal–National government—I have to give credit there—and it is important that it continues to be fleshed out and given life for the duration of the 10 years over which it is required, and not abandoned. At least we finally have reference to the 10-year plan within the budget papers, which is an improvement on last year, but we still do not have the fundamental investment that the 10-year plan envisages and requires. It means that we still need to put the additional investment that is occurring within mental health into those acute and subacute areas. I absolutely acknowledge that this is desperately needed but it means that we are still caught in the cycle of not turning off the tap and not assisting people with prevention and early intervention when they start to experience mental health stress. As I have said many times before, it is extremely rare for people to develop a serious mental illness overnight; it is something that develops over time. If people get appropriate support very early on in the process, it can easily be addressed and it can ensure that people are able to fully recover and continue to live their lives. Unfortunately, the budget papers are also ambiguous about funding for prevention services and that is creating quite a lot of frustration in the mental health sector. The budget has been significantly recast from last year and that is making comparison really difficult. The information we are getting is effectively from service providers, who are indicating where money is not being increased. The other problem is that a number of outstanding contracts and agreements have still not been negotiated. This level of uncertainty, particularly within the community-managed mental health sector, is highly problematic. Community-managed mental health centres are often the best places to provide early intervention, prevention and community-based support. They are nimble and informed, and they are best able to respond to particular client needs, whether in a particular location or for a particular type of mental illness or demographic of person needing specialised supports. The fact that there is still uncertainty about what is going to happen with the contracts is enormously problematic.

I could spend a whole hour, but I will not, talking about the problems with tendering arrangements for community services. It is needless to say that it is a huge issue, but, unfortunately, uncertainty continues in this budget. At some point, significant investment will have to be made in this area by a future government. I acknowledge that it will take a fairly brave government to do that, but the reality is that the results of such investment will not be seen until far beyond a particular election cycle. When people do not see immediate benefit, governments are tempted

to simply not put in that money. I encourage the government to consider making that future investment—to be courageous and visionary—because people will thank the government for that in the long term.

I am concerned about the lack of funding for specialist services. I have spoken many times about the need for a statewide specialist transcultural mental health service in particular. I know that a good model of service has been presented to the Mental Health Commission for consideration. We really, really need these services. We need specialised hub-and-spoke models whereby people who present to a GP, at a hospital or within a community-managed service are able to have their unique cultural and linguistic requirements addressed and to be connected with, for example, interpreter services. The people who assist them need to be well informed about culturally appropriate practices—a whole range of things that we know are required by people from CALD backgrounds. There has not been an undertaking to invest in a statewide transcultural mental health service. I think that is a real mistake. Anyone who tells us that we already have something like that at Bentley is sorely, sorely mistaken, and it just shows that they have no idea what they are talking about. We do not have a statewide service and we desperately need one. Likewise, we need those services, preferably hub and spoke, or at least a number of centres of excellence, for people who are bipolar. Another area that has been calling out for specialist services is neuropsychiatry. It is in these areas that I want to see some firm progress in the future. I know that people on the ground have been trying to work towards various models of service, but the reality is that if there is not a business case behind it and if it is not funded, then we can have all the best service models in the world but, effectively, they will be shelved.

Another ongoing frustration of mine is that we do not have additional funding for forensic beds, despite the fact that 30 years has passed since the number of beds was last extended. A clear part of the plan is to extend forensic beds, but I note that the funding for this is somewhat dependent upon the sale of Graylands Hospital. I am frustrated that although the business case for the sale of Graylands has been finally developed, the minister will not table that business case, and we are still not anywhere closer to knowing how much of the sale will be reinvested into the mental health system or anything about the proposed service models. I want to stress again that when we sell Graylands, the revenue from those funds must not go back into general revenue. It is not what the previous government had in mind and when the tenure plan was proposed it was never anticipated that that is how the money would be spent. It needs to be maintained, ring-fenced and invested straight back into the mental health budget. We do not close down a facility, even one like Graylands that needs to be closed down, without making sure that the money has been appropriately reinvested elsewhere. I am going to stress that over again, and I wait with bated breath to get more detail about that. Meanwhile, a critical shortage of forensic beds remains. Although in-reach psychiatrists are a stopgap measure, they do not replace the need for forensic beds for critically unwell people. It has been a particular issue for critically unwell youth as well. I give a big shout-out and thankyou to the hardworking staff at the Frankland unit in Graylands. I am really sorry that yet again they have another budget with no additional moneys going towards beds. This is going to have to be addressed sometime soon.

I also note that there is a budget underspend of \$9 million in mental health, which is a significant underspend. It relates to difficulties securing agreements with health service providers for services to people with severe and persistent mental illness for young people in contact with the justice system, programs procured during the year that involve a ramp-up to commencement of service and the independent community living strategy. There has been a lag in bringing new people into the program as other people exit. That is a concern, and I am disappointed that we have not delivered on the important services for which the money was made available.

I am pleased to see that in the last couple of weeks the government has acknowledged the crisis around the coroner's report into the suicide of young Aboriginal people, and I note it has committed to working with Aboriginal people towards developing a comprehensive government response, which is good, because that was an explicit part of the coroner's recommendations. In the interim, I note the number of programs the government has committed to funding in the Kimberley in this budget. Although I absolutely commend the government for stepping up, I cannot emphasise enough that in addition to being Aboriginal-led, the government response must be backed up with adequate resourcing and bipartisan support. As I keep saying to the federal government on the issue, if it has money to spare, which it always does—it has more money than it needs in this area compared to the need at state level—I hope there will be a coordinated approach between those funding sources, because far too often that does not occur and that leads to bad outcomes all round.

I want to make some comments about the undertakings in the budget to progress the recovery colleges, which people in the mental health sector have been pushing for for a very, very long time. The government made that commitment in the last election and it is following through with it. It heard what the sector was asking for and is doing it, and I am really pleased to see the model finally coming to fruition. The government has allocated \$3.6 million over the next four years for recovery colleges and the contract is now out for tender. It is a hub-and-spoke model, with Perth being the hub and the regions the spokes. That is a good model for a state as large as Western Australia. I await with anticipation how that will roll out, but I think it is a good investment. If we get the model right, recovery colleges will play a really important role in ensuring that people are able to live their best lives in the

community. The fact that they are peer led and community based makes them all the more effective, so I am pretty happy about that.

I want to make some comments about the state suicide prevention strategy. Of course, there has been a welcome extension of funding for the next 18 months, which is good, because people were starting to get very anxious about what was going to happen with that funding. At least we have had that extended, but I cannot emphasise enough the stress and the impact that that funding uncertainty has had on providers. It has also raised concerns within the broader community of people who use those services, because they are unsure whether those services will continue to be available. It is very important that when we prepare the next state suicide strategy, we ensure that the evaluation of those individual programs is built in up-front, particularly because a number of pilot programs began under the existing strategy and we need to be able to judge their effectiveness. The services themselves are calling for those valuations, because they want to be able to make the case that their service is necessary and works.

Once again, I give a shout-out for the need to ensure that we have ongoing funding for the specialised service for children who are bereaved by suicide. Specific money was made available in the last suicide strategy. This service is an Australia-wide first, and its need is highly evidence based. It is long-term postvention support and it is critically important. In case members are not aware, children whose parent or sibling suicides or who are bereaved by suicide are three times more likely to go on to take their lives at a later date and seven times more likely to develop serious mental illness if they do not get early intervention and support. This is a really important program. I know for a fact that it is currently oversubscribed. It is only available in the metropolitan area. Outside of the work that I do in Parliament, I deliver free training around the issue of children bereaved by suicide, and I also go out to the regions. There is a desperate need to extend these programs beyond Perth. There are families now who are crying out for these support services—people who are worried about how their children are coping following the suicide of particularly a sibling or parent. It is a hidden problem, because it is often 10, 15 or maybe 20 years down the track that we see the full extent of that very unique trauma on these children. I hope that this service will not only continue to be funded but also be extended. The new suicide strategy will obviously come back from the Ministerial Council for Suicide Prevention. I am desperately hoping that that will be part of it, and that significant moneys will be invested in extending that program.

On that note, there is merit in the program being run by a number of entities; I do not think it has to be run by one particular service. I want to state that. I also want to say how disappointed I am that Living Proud continues to not receive core funding. Living Proud is a longstanding peer-led LGBTIQ suicide prevention service. It wants a pittance of funds—\$80 000 a year would cut the mustard. I would really like to see that money reinstated, particularly as we keep talking about healthy budgets. We know already that LGBTIQ people are at high risk of suicide. It is such a small amount of money to provide such a critical peer-led service. I really hope that we see that money at some point.

I was so pleased to see money allocated to the expansion of the mental health co-response teams with the police and mental health services in regional areas. These teams were established under the previous government; they have now been continued and extended, which is fantastic, because they work. They are welcomed by the police, the mental health sector, the alcohol and other drugs sector, the people who come into contact with them, and families. It is very rare to get a model about which everyone is in screaming agreement that it works! This one does. Congratulations to the government. Admittedly, there was a very good evaluation, so it is evidence-based, but congratulations to the government for recognising that and extending it. I am eagerly anticipating the day that it becomes a statewide response. This is really important intervention, and it is a fantastic way to ensure that we are better supporting people with mental health issues who come to the attention of police, and who are better served getting mental health services rather than being stuck in the justice system, which is expensive and serves no-one's best interests. That is fantastic.

I want to acknowledge the substantial investment in reducing the harms associated with alcohol and other drugs. Unlike in mental health, the government is making meaningful improvements in the service system configuration and balance. I am not clear, however, whether the money has been allocated to advancing the initiatives announced in the methamphetamine action plan, such as the 24-hour one-stop shop and helpline. I note that the helpline capacity has also been diminished by previous funding cuts. I have been asking questions about that over the last two years. I am concerned about what is happening with that critical frontline service. The government has made the announcement without a business case, and that is a problem. Any service model needs to be developed in consultation with the sector, which is well placed to advise what is needed, and is the best way to ensure that the first point of contact, the referral pathways and the early intervention are enacted through these helplines.

I will make some comments about health. Prevention funding is now sitting at around 1.7 per cent of the budget, but I note that the government has accepted the sustainable health review recommendation that prevention funding should transition up to five per cent of the health budget by 2030. I hope that is adhered to better than has been the case in mental health. It makes sense to stop people getting critically unwell in the first place. It is good financial sense in view of the impact on our hospital system, but also if people are not sick, or are not severely unwell, they

are more likely to be productive in the community. If that is the measure of success, it makes good economic sense to invest in prevention funding.

I want to make some comments about the investment in palliative care. I am always concerned when palliative care and end-of-life choices get put together as a bundle, but I suppose that is a debate for another time. I note that \$41 million has been put together for end-of-life choices and palliative care in WA, and \$5.8 million to progress end-of-life choices recommendations. It is focused particularly on the regions, and I understand why that is the case. The regions have been woefully underfunded for a very long time, particularly services for people living in Aboriginal communities. There is a desperate need to improve access to palliative care in the regions. There is a lot of spending on infrastructure, and I note the government is considering a 24/7 palliative care telehealth service. I am a big fan of the expansion of telehealth. It does not solve everything, but it is a very important way of ensuring improved delivery of health services, particularly mental health services, in our regions.

Some of the funding to country health services is intended to increase clinical services, which, on the face of it, makes sense, but I am concerned at the lack of available workforce to fill these additional positions. We are yet to see a plan for addressing that. For example, in the last three years, only one psychiatry trainee has attained a consultant psychiatrist certificate in Western Australia. That is a huge problem, because consultant psychiatrists are at the front line for ensuring that people who present to hospitals are able to be referred to the appropriate health or mental health services immediately, rather than languishing in our hospitals not getting the care that they need.

I also hope, as part of a suite of measures, that funding for Palliative Care Western Australia will increase, because, as a non-government organisation, it plays an essential role in raising awareness and improving access to palliative care services.

I have some comments about disability services. I welcome the government's commitment to fund systemic and individual advocacy. I have said before that this is a great step. There is \$4.2 million allocated for 2019–20 to specifically help individuals who are trying to navigate their way through the National Disability Insurance Scheme, but at the moment there is nothing in the forward estimates. I want to stress again that ongoing funding is absolutely needed. That was the experience in other states. We need to learn from errors made in the other states and make sure that we continue that funding. I seek further clarification of the government's intentions in re-funding systemic and individual advocacy post-June 2020. I thank this government for acknowledging, at least at this point, that these services are really important, and I hope that funding continues.

I am also particularly concerned about ensuring continuity of support for a number of people currently receiving services who will not be eligible for the NDIS. I note the potential impacts on carers, whose access to support may be reduced because funding is being diverted into the NDIS. There is considerable disquiet amongst family members and carers about what will happen to supports that to date have been available to them. They have already been limited enough, so the idea that they are going to lose the very little that they already have is gravely concerning, and the uncertainty is continuing to be a problem.

I note the \$500 000 allocation for the development of the state disability plan. The provision of disability services is of course much broader than the NDIS. It is estimated that 360 000 Western Australians with a moderate to severe disability—compared with the estimated 39 000 Western Australians who will be eligible for NDIS—will also be in need of services, so it is essential that mainstream services continue to be inclusive and accessible to all. In terms of advocacy outside the NDIS, there is a lack of clarity around funding for non-statutory advocacy for people with mental health issues who also need advocacy on community access issues, and I hope that is addressed.

I have a quick comment about the taxi levy and the impact on people with disabilities. Of course, this has been raised previously. I note the impact of the taxi levy on people with disabilities who are often not able to get a driver's licence and are highly reliant on specialised taxis to get around. There does not appear to be any money allocated in the budget to increase the taxi user subsidy scheme to mitigate the impacts of this levy. I am talking about people who very often are on fixed incomes. It is something I will be looking into further, because it is a problem.

It also does not look like any additional money has been allocated in the budget to ensure that all new public housing is disability accessible. I think that is a mistake. If we invest in appropriate infrastructure in the first place, we will have housing stock that potentially can be available to far more people who require community housing and, in addition, will assist people as they age in place. We need to remember that when we talk about creating accessible communities and dwellings, we are also talking about ensuring access for people as they get older.

I have some comments about the Bennett Brook Disability Justice Centre. The funding appears to be stable, which is fantastic. The disability justice centre is a marvellous investment and one that every member in this place should feel a great deal of pride for and be very protective of. We should also be protective of the people in the disability justice centre. However, there is no evidence that the recommendations from the review are being implemented, nor that the number of residents is being increased. I remain concerned about that. There was a good reason this

centre was established. We need to ensure that we are investing in it appropriately because it is an important way of supporting people with intellectual or cognitive disability who need to get an additional level of support. It is under-utilised but it is a desperately needed resource. I note also how well it can be resourced. It will be tied up with the review of the Criminal Law (Mentally Impaired Accused) Act, which I know is coming, but I will say a bit more about that in a moment.

I have some comments about the issue of elder abuse. I welcome the government's funding commitment to elder abuse services of \$2.3 million over four years towards preventing elder abuse and \$1.2 million of new money and \$1.1 million of reprioritised funding. I note that Advocare will receive \$150 000 a year of guaranteed funding. I am pleased to see that that was one of the recommendations that came out of the parliamentary Select Committee into Elder Abuse. I note also that the Northern Suburbs Community Legal Centre will receive over \$277 000 a year in a five-year agreement. That is fantastic also because it is a really important service; however, it is only the tip of the iceberg. When we debate committee reports in the future, I will have plenty to say about access to legal services beyond that catchment and how it intersects with the new legal aid service.

I note also that a lot of recommendations in the report have still not received any undertakings around funding or being progressed, which I think is a mistake. It is a mistake also because I remind members that in the context of us talking about end-of-life-choices legislation, evidence was presented that elder abuse can be a factor in the decisions of some older people to want to die. Therefore, with rates of elder abuse on the increase—at least that is what was demonstrated—we need to make sure that we take this issue very, very seriously. I will have more to say about that in future. I wish I was not time limited because I could speak on this for several hours.

On education, I welcome the additional \$40 million to support students with disability. However, I have ongoing concerns about students at educational risk such as the violence response. I remind members that although the behaviour of a lot of those kids is never acceptable and although parents, teachers and children should never be at risk, a lot of the time these kids are really troubled kids who come from deeply chaotic and distressing home lives. That is often the core reason they engage in violent behaviour in the first place. The coroner's report showed us that vulnerable children disengage from education early—usually about year 5—and I would like to see priority given to engaging vulnerable students, not suspending or expelling them.

While I am on the topic of education, although my focus is generally on students at educational risk, I really hope that the government decides to reinstate the funding for the Herdsman Lake Wildlife Centre. I am disappointed that that funding is not continuing. It is a great service that provides fantastic opportunities for all school kids. It is a small amount of money in the overall scheme of things. I am eternally disappointed that it still does not have that funding. By the way, it has been trying to get charitable status from the federal government for ages now—probably up to two years—and the federal government is dragging its heels. That is absolutely disgraceful. How hard can it be for the federal government to at least enable the centre to have that? In the meantime, I would love to see that money reinstated.

I have some comments about training. TAFE is still not free. The ultimate aim of the Greens policy is for people to go to TAFE and get training. Before people start losing their minds and saying it is not possible, I got a certificate IV from TAFE and it was free. It was my first qualification. I do not think I would have been able to get that if I had been expected to pay for it. Thank goodness I got it, because I then went on to become a taxpayer and have since invested my taxes multiple times—which I am fine with, because taxes are a good thing; that is how we become a civilised society. That early investment in my training was invaluable. The recent independent review recommended fee-free foundation-level education for all Australians, and I think that is something we should still aspire to.

It is expected that there will be 20 000 additional trainees and apprentices through the National Partnership on the Skilling Australians Fund and the employer incentive scheme, but there has been a substantial reduction in staff from 60 FTE in 2017–18 to a budgeted 48 FTE for 2019–20. I hope there will be substantial flexibility for an additional staffing allocation here. I remain disappointed that individual TAFE colleges are not part of this budget process; I think that lack of transparency is a problem. Hopefully, that is something this government might be prepared to look at. We really need to rethink that. I also remain concerned that vulnerable students do not necessarily have sufficient staff support to assist in navigating the state and federal systems to access the wraparound services they require.

I turn to child protection. An unprecedented number of children are in care—5 317 as at 28 February—and 55 per cent of those children are Aboriginal. I, of course, welcome the extra \$15.25 million for care arrangements and support, but the allocation remains skewed and does not prioritise early intervention and parenting support. I have already spoken about the need for early intervention and why, ultimately, it is about saving money, but it is also, importantly, about ensuring that we are better as a community.

I have been contacted by the proponents of the Make Redress Right campaign, who are disappointed that no funding has been made available for the support of Redress WA survivors who are excluded from the National Redress Scheme. Members are aware that a lot of people have been very distressed by the sole focus on sexual abuse, when

other survivors have also experienced very serious abuse in the form of physical abuse, emotional abuse and neglect. That is a concern that continues to be raised. We are talking about really vulnerable people—people who have sustained huge amounts of trauma throughout their lives and were denied education opportunities in early childhood; hence, they have not lived the full lives that we all hope our children would have ahead of them. That is one of the reasons it is an ongoing issue.

I am pleased that grandcarers' annual payments are continuing, but I am concerned that there is still no ongoing funding for the Grandcare program run by Wanslea Family Services; I note that the current funding expires at the end of this year. There is also continued uncertainty around the ongoing funding for the grandcarers' assistance respite program.

I am also pleased that the government has recognised the impact of the equal remuneration order and that it has allocated supplementary funding of up to \$1.9 million for services that operate 24/7 and are funded under the National Housing and Homelessness Agreement. However, there are other services that are not funded under this agreement and have been left out. This comes amid concerns about the ongoing rollover of those services' contracts without any review of pricing or service levels. This will be a challenge for government, but it is absolutely essential that we address it. I am pleased to note progress on and commitment to the recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse.

I turn now to the public sector. I am pleased that the voluntary targeted separation scheme is officially drawing to a close and that there have been some FTE increases in several agencies. To me, that reflects an understanding that we do not necessarily achieve good outcomes by gutting our public service. Our public services are essential and people expect a certain standard of service delivery in a whole range of areas. Although it may make a nice headline, it is actually pretty dumb to just automatically cut our public service. We will see how this starts to level out. Let us see what happens with the necessary increases in some of those areas that have been really doing it tough for several years.

I welcome the investment in family and domestic violence services, including the \$27 million for domestic violence hubs, community monitoring and elder abuse services, and the additional money for police training, although I expect that this might result in more demand for frontline services. But there is no new money for these services. Refuges are already at demand, there is not enough counselling for families and children at the moment, and there is no funding to provide support for families once they have left those refuges. That is a gap and a problem and a challenge that the government will need to address. I remain concerned at the ongoing lack of perpetrator programs. On the flip side of ensuring that there are supports for people who are escaping family and domestic violence situations, we must have a space where perpetrators can go to get the supports that they need to learn how to deal with the underlying causes of their offending behaviours. It is absolutely critical. I also note that there is no support for women who do not have an income, particularly refugees, so we will have to address that.

Our courts continue to be under pressure, particularly with time blowouts, but I welcome the just over \$1 million for the bail support program, the \$430 000 for the fines diversion trial—yay!—and the almost \$4.7 million for improved access to rehabilitation programs. I really look forward to getting more detail about what that involves. This is the stuff that floats my boat. I look forward to unpicking that a bit more. However, I note with ongoing disappointment that \$110 million has been allocated to provide more prison beds. I am beyond disappointed that the prison health reform process has been abandoned. I have asked multiple questions about this. I do not believe that corrective services is best placed to deliver health, mental health, alcohol and other drug or dental services within prisons. I wish that we had continued with the progress that was slowly being made to reconfigure the way that prison health services are delivered, although I recognise that there was great resistance by some within corrective services to do that. Other states are doing it better. We need to do the same. I am frustrated that that has been abandoned. Even as early as yesterday, I asked a question in Parliament about whether funding had been allocated to increase the number of prison counselling and mental health staff within the prison system and the answer was —

No. Funding remains at current levels.

I think that is a huge mistake. We know that our prison population is increasing. We know that the level of acuity is increasing. People are in desperate need of mental health and alcohol and other drug services in particular, but they are also at much higher risk of having ongoing health issues, yet we have not put in the additional money. I wonder what we are ever going to do to start breaking that cycle.

Of course, I welcome the indication in the budget papers that a bill to amend the Criminal Law (Mentally Impaired Accused) Act will be introduced. I cannot wait for it to be introduced. I am very excited at the prospect of it being introduced. When it happens, and assuming it is a good bill and it gets passed in this place, if it is the reform I desperately hope it is, this government will be able to give itself a massive pat on the back. But I wait to see what will be in it. There are 22 key reforms that need to be incorporated within the final bill, and I will be looking for every single one of them. I really hope that we see that bill sooner rather than later.

Finally, there is some funding for the Kimberley juvenile justice strategy to find alternatives to detention and services aimed at diversion. There is \$300 000 a year for the next three years. I want to see an ongoing commitment to reform youth justice across the state. I am very disappointed that the previous decision by this government to move youth justice into the Department of Communities has been abandoned. I was of course critical that youth services were going to be moved into Communities and that we were looking at maintaining Banksia Hill Detention Centre within corrective services because the continuum of youth justice needs to be kept together. It is better placed in the Department of Communities, but that is no longer going ahead. The government has given no clear explanation for why that is the case. It is a lost opportunity and I am disappointed that that reform is not going to happen. We need to recognise that the majority, if not all, kids currently at Banksia Hill Detention Centre, have invariably had traumatic, fractured and chaotic lives. No-one is excusing the behaviours that have led to these children being in Banksia Hill, but by the time they enter that setting, everything should have been done to help them to turn their lives around. These kids have effectively been failed. I remind members that huge number of them are in the care of the state, so the state has failed them as well. The state has taken on these kids and failed them, and they have ended up in prison. I want us to completely reconfigure how we deal with youth justice, but it is not going to go ahead—what a mistake. I am very disappointed.

I will make some comments about foetal alcohol spectrum disorder. We need a whole-of-government strategy and adequate funding for services in this area. Even though I continue to be assured that there is a whole-of-government approach to dealing with FASD, I am very disappointed that FASD is not referred to once in the budget—I would have thought that it should have been. No funding has been allocated to specifically identify and support children with FASD who are in out-of-home care in particular. In the past I have described FASD as the looming tsunami of need, particularly around its intersection with juvenile justice. Although the Telethon Kids Institute has done some extraordinarily good research in this area and talked about the sort of investment needed in this space to ensure the early identification of kids with FASD and the provision of those services, it is not an area of urgency within the budget papers. I believe that the Minister for Child Protection has made a genuine commitment to improve this space, but we need to see the detail around the money that has been made available to do that. There needs to be more meat on the bones with regard to the plans to tackle the issue of FASD and how to provide the appropriate services.

In the remaining time that I have, I will make a few comments on government integrity and our oversight agencies. I welcome the \$627 000 to develop the whole-of-government independent oversight strategy of institutions providing child-related services. This arises out of the multiple recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse. As I have previously said, it is good to see that the government is taking those recommendations seriously and doing everything within its power to ensure that the shameful and horrendous issues that arose out of that inquiry do not happen again. At the same time, however, I am concerned to see that the workload of other agencies has increased but that there has been very little increase in their funding or staff numbers. For example, the Office of the Inspector of Custodial Services, which is a marvellous independent oversight body, continues to do incredibly important human rights work. We should be proud of the work that it does. It holds to account not only corrective services, but also all of us in the treatment of prisoners, yet it continues to do so on the smell of an oily rag. It continues to lose funding even with more prisoners coming into the system and more issues emerging within our prison system; it is a concern. Likewise, the budget of the Commissioner for Children and Young People, which is already tight, has been further reduced. I do not know about other members, but I read those reports and they are incredibly useful. I refer to them often in this chamber. We are really lucky to have a Commissioner for Children and Young People. It is a particularly effective office and I am disappointed that it is expected to continue to operate on less and less money. There comes a point at which governments defund agencies to the extent that they become only a name. We must be vigilant to ensure that that does not happen.

I also note in the same vein that the budget of the Equal Opportunity Commission has been reduced, as has that of the Public Sector Commission, which has had a further reduction in staff. The Equal Opportunity Commission is undergoing a review. Obviously, some of the provisions of the Equal Opportunity Act need to be extended. The concern has been that the commission has been very much focused on the discrimination side of equal opportunity but not much on proactively pushing what it means to have equal opportunity. Effectively, that capacity has been diminished, yet the government is looking at diminishing it even further. I am very concerned about that. We should be very concerned about a reduction in staffing and capacity of the Public Sector Commission. The Public Sector Commission has been expected to take on a range of roles, particularly education functions, from the Corruption and Crime Commission. It has a really important role to play in ensuring that our public sector operates at the highest possible standard. It is not just about corruption, although that should be at the forefront of our minds and concerns; it is also about competencies. If the government guts the Public Sector Commission, it will diminish the capacity of our public sector to be as capable, competent and accountable as possible. I am concerned that the government is diminishing that capacity.

I welcome the funding to look at the issue of political donations. I note that a small amount of money—\$250 000 this year and going forward—has been made available. I note that it was stated in the Legislative Assembly budget estimates hearings that this funding will increase the timeliness and accountability associated with the disclosure of political donations and that the government is looking at a policy. Good—about time! I look forward to seeing the reforms. I am very excited about the prospect of what might be brought forward, and I am excited about the prospect of amending those reforms to make them even tighter. There you go!

I refer to the State Records Office of Western Australia. I have raised this issue quite a bit over the last 18 months in particular. It has gone from a properly budgeted agency in 2012–13 to appearing only as a footnote—a footnote!—to corporate asset and infrastructure support to the culture and arts portfolio and government. The government no longer has a listed service for state information management and archival services, the reason being that it is apparently too hard to measure whether government records and state archives are appropriately managed and accessible. This is a terrible outcome, given the decades-long starvation of this essential accountability mechanism. I remind members that the need for this service was clearly articulated as one of the recommendations arising from the royal commission into WA Inc. It is a very important service. It is very important that we keep our state records and that the office is appropriately funded. This is the time that we need to invest and make sure that records are archived into an e-format. We should be looking at a big investment to finally bring it up to scratch. I have been asking questions about the archiving costs of individual agencies—they are huge! What a waste of money. At some point, someone somewhere will have to start looking at the way government spends in this area and say, “There must be a better way to do this.” It could actually pull it across from all the agencies. Importantly, the government should recognise that it has to be done properly, because this is a key accountability measure of government.

I also want to comment on a local issue that I am very excited about. It is a local issue for me as a member for the North Metropolitan Region. It is probably not going to get a lot of attention but it really should. I am referring to the investment in the redevelopment of the former East Perth power station. That might sound like a random one for me to talk about, but I do not care because I am really, really pleased. When I heard the announcement about this, I was very excited. The sum of \$30 million will be put towards site works at the former East Perth power station. The possibilities are immense for how that whole precinct could become a fantastic hub. I would like to remind members that this follows the excellent decision by this government to finally move out the two concrete batching plants in Claisebrook. They were meant to be there temporarily and they are not wanted by council, residents, businesses or developers—no-one. They are garbage. They do not belong there and they need to get out. They are terrible corporate citizens. I am absolutely pleased that those decisions have been made because it means that that little hub within Claisebrook can finally, potentially, become a really vibrant hub for the Perth region as a whole. The East Perth power station redevelopment can be a key part of this. The precinct straddles Claisebrook and East Perth train stations. Optus Stadium is across the river, so people are encouraged to walk there. Beaufort Street needs a lot more help, but that is a story for another time. That whole precinct has the opportunity to really come alive. The East Perth power station is a beautiful old building. We might have increased density; which is wanted out there, by the way. When everyone else is saying, “Let’s not have density”, people out there are saying, “No, let’s have it. Hello! Bring in all the people.” We can have increased density, we can have residential–commercial development and we can have beautiful precincts that everyone is going to be able to use. The public transport is already there. Although service delivery is still my core business, I at least want to say how pleased I am about the East Perth power station redevelopment finally looking as though it will go ahead. I hope that continues. I really hope it becomes more than just a plan and that we see something exciting come out of it. I just needed to use those last few minutes to say that.

I now want to make some overall comments. I am pleased that ongoing work is being done to break down silos and improve access to services, although a lot of it feels as though it is happening in name only. There is still a sentiment that far too much is not occurring, even though I think there is all the intent in the world to try to ensure that there is a more systemic government approach to a range of matters. What may happen in practice is that things fall by the wayside. I am pleased that there is at least a commitment to try to do better in that area, because it is a hard nut to crack.

There is nothing innovative or forward looking in the care economy transition in particular, especially around training. I am thinking about the projected need around disability services and aged care. That will have to be firmly on the radar. We will have to do a lot more work in that area. I welcome positive measures towards harm reduction and diversion. That is fantastic. There is a very welcome focus on place-based and long-term opportunities for Aboriginal communities. However, there remains a lack of sufficient investment in early intervention and prevention measures across a range of areas, including mental health, health, child protection services, and youth justice. That is a significant problem. It will take a brave government to put in that investment because there will not be an immediate return. It is essential that we finally look at those investments so that we can break cycles of disadvantage and deal with issues of trauma in order to turn our community around.

I had only an hour to speak. I would have liked another couple of hours, and I am disappointed about that because there are so many opinions. The budget is a mixed bag, but I wait to see the detail during estimates.

HON RICK MAZZA (Agricultural) [2.20 pm]: It gives me great pleasure to contribute to the debate on the budget. I have a range of issues that I want to cover off. The first cab off the rank is the much heralded—finally—operating surplus, which the government has been crowing about for some time. The operating surplus is estimated to be \$553 million for the 2018–19 financial year, and will rise to \$1.5 billion in five years. We need to put this into perspective. This is actually an operating surplus. I note an article in *The West Australian* online of 9 May by Ben Harvey, titled “State Budget 2019: I call bulls**t on Budget surpluses”. As Ben Harvey outlines in that article, the budget surplus is not really a budget surplus —

If your household has \$200 a week left over after all your bills are paid then you are operating a household surplus. Well done you.

But what if you didn’t include your mortgage payments, or the cost of renovating the pool room?

That’s what successive governments in WA have been doing for a very long time—claiming they are running surpluses when in fact the “leftover” cash, and more, is swallowed up by spending on projects such as new railway lines, hospitals refurbishments and schools.

This budget surplus is not a cash surplus. Infrastructure has been included on the expenses side of the ledger. Things like commonwealth grants are income, but, as far as expenses are concerned, the surplus is skewed, because it is not cash in the bank. Therefore, state debt will increase over the next couple of years.

To clarify that, budget paper No 3 states at page 3 —

A broader measure of budget performance is the cash surplus/deficit measure. Unlike the net operating balance, this includes spending on infrastructure.

The net operating balance measures the difference between:

operating revenue, from sources such as payroll tax, transfer duty, mining royalties, GST and other grants from the Commonwealth (but excluding revenue from sales of land or other assets); ...

It states also —

If operating revenue exceeds operating expenses for a financial year, the net operating balance is in surplus. This is expected to be the case in 2018–19 and each year of the forward estimates period. The last time Western Australia recorded an operating surplus was 2013–14.

The general government sector net operating balance is a well-established and widely used measure but it does not capture the full activities of the sector. Unlike the cash surplus/deficit measure, the net operating balance does not include capital expenditure on infrastructure. This means that substantial Commonwealth Government road funding is recognised as operating revenue, but road construction is not included in operating expenses. That is, a significant portion of the surplus is allocated to capital projects.

Therefore, when we talk about the operating surplus, it is not a cash-in-the-bank surplus. It is estimated that over the next few years, state debt will rise by \$2 billion or \$3 billion. However, that is not to say that is not good news, because if we did not have that operating surplus, we would need to borrow more money for infrastructure spending. At least we are heading in the right direction, and hopefully we will end up with a cash surplus and can start to reduce debt.

The government has had a significant change of fortune. That is due partly to the huge increase in the iron ore price. Last week, the price of iron ore went up to \$US107.50 a tonne due to some issues in South America. The increased royalties on that iron ore are obviously a big windfall for the state. It is due also to the increased revenue that will start to flow into the government’s coffers because of the GST floor. Those are a couple of positive things that will happen.

I noted on page 300 of budget paper No 3 the different contributions to the Federation by the various states, which are quite interesting. New South Wales contributes \$10.847 billion a year, or about \$1 368 per capita. Victoria contributes \$1.233 billion, or \$193 per capita. Queensland is a negative \$14 billion, so Queensland is getting funded by the federal government to the tune of around \$2 869 per capita. South Australia needs to be subsidised \$5.878 billion a year; Tasmania, \$3.787 billion; and the Northern Territory, \$3.64 billion. Western Australia contributes \$15.46 billion a year, or around \$5 987 per capita. This state does all the heavy lifting as far as contributions to the Federation are concerned. We certainly deserve to get some GST back, even if it is only 70¢ in the dollar. Western Australia certainly does its share when it comes to maintaining the country.

I have taken some interest in energy in recent times. It was one of the issues during the federal election, with climate change and all the other issues that surround that. It is disappointing that we have had another rise in power costs. Although it was small, it all adds up. I noted that \$11.6 million is being invested in solar and batteries in

remote Aboriginal communities. The Minister for Energy's media statement of 9 May, headed "Solar investment for remote communities", states —

Construction is scheduled for Warmun and Kalumburu in 2020 and in ... Beagle Bay ... Lombadina and Bidyadanga in 2021.

I can understand that solar and batteries with a generator backup makes perfect sense as an isolated standalone power source for those remote communities. Unfortunately, I do not see an overall plan to secure the future energy needs of the whole of Western Australia. If we do not invest in our energy infrastructure now, we will be in serious trouble in a decade or so. We had a debate in this place recently about the ageing power stations at Collie. Instead of possibly closing the Collie power station over the next decade, we should be acting to secure those jobs that come with power. There have been similar issues in the eastern states. An article headed "Rising minister Angus Taylor to fast-track 'cleaner' coal plant" in *The Australian* of 27 May states —

Plans for a new lower emissions coal plant in Queensland will be fast-tracked by Energy Minister Angus Taylor, who has been given expanded responsibilities in the new Morrison cabinet.

Mr Taylor, who played a key role in refocusing debate on the cost of climate change action during the election, will now oversee the twin portfolios of Energy and Emissions Reductions, and will steer the government's response to meeting the Paris targets.

There would be a heavy focus on opening up new gas resources to play a role as transitional fuel as existing coal plants are retired, government sources said.

Development of new high efficiency coal plants may also be considered.

Mr Taylor's expanded role is a hard blow to the renewable energy industry, which had been looking to Labor to extend subsidy schemes as part of its 50 per cent renewable energy target.

The Morrison government has made clear it will not shift from its Paris target of 26 to 28 per cent below 2005 levels by 2030.

Mr Taylor was credited with identifying the use of carry-over permits from ... Kyoto ... as crucial to Australia meeting its Paris target.

Former deputy prime minister John Anderson said Mr Taylor had been crucial to the push back against Labor's higher Paris target ...

A \$10 million feasibility study for a high-efficiency, low-emissions plant at Collinsville has been promised by the Coalition as part of a suite of projects aimed at improving the stability and reliability of the electricity grid.

The Coal Council of Australia has said the government should encourage further proposals for new build HELE coal plants, which offer the cheapest and cleanest energy for households and businesses.

I am not against renewables. I think renewables can play an important part in the energy mix, but we must balance the cost of providing that energy with its reliability and stability and not completely dismiss coal in the short term. The proposal of the federal Australian Labor Party at the election was the achievement of a zero emissions target by 2030, but that would have been crippling for the country. The state government needs to take heed and do more to secure WA's energy future by providing a cheap and stable energy source. An article in *The Australian* of 29 May states —

In an interview with *The Australian*, Energy Minister Angus Taylor revealed the "big stick laws", which energy companies had labelled draconian, would be a priority when parliament returned, expected to be the first week of July.

It looks as though the federal government is looking to clean coal—or high-energy, low emission coal—to provide a reliable power source for the grid on the east coast. As I say, we should be looking at that here.

In *The Sunday Times* of the weekend just gone, there was an article by Gareth Parker about Western Australia's gas reserves. Western Australia is very fortunate to have substantial gas reserves. There has been a domestic carve-off to make sure that there are gas supplies in this state. The article states —

In eastern Australia, wholesale gas prices have trebled in recent years to \$9 to \$11 a gigajoule.

In WA, they remain at \$3 to \$4. And the gap might be here to stay.

We have very cheap gas in Western Australia. It is good that households in WA can use it to heat water, cook with and that sort of thing, but gas is also a power source for driving gas-fired power stations. The government really needs to be looking in the long term at what infrastructure is needed to provide cheap and reliable electricity in this state.

It has been explained to me that renewable power sources are quite erratic. When the sun is shining or the wind is blowing, power is generated, but that power is erratic. It is dependent on the environment at the time and the grid has to cope with that. To produce baseload power, it takes days for a six-tonne turbine to wind up, but once it is running at the required revolutions per minute, a very stable power source is produced. In fact, I have been told that when maintenance occurs, the turbine is slowed down, which can take a few days as well, but it has to continue to turn because if it stops, its weight will bend the armature. Power from a gas turbine is quite different from power from renewables. It is short-sighted at this point in time to focus on renewables as the only way of developing power. As I say, I do not dismiss renewables, but we need to balance power sources to make sure that we continue to have affordable power or power at a reduced cost.

I note that the budget papers refer to a reduction in the hardship utility grant scheme. In many respects, I do not have an issue with that reduction because HUGS is not a cure for high power costs. HUGS can treat the symptoms of high electricity costs but we should try to get those costs down so that people are not reliant on HUGS to subsidise their electricity costs.

Earlier this week or late last week, there was a story on 7.30 about household solar panels. The program featured Rex Leighton, who had spent \$8 000 on solar panels that had a 10-year warranty but had to send the panels to the tip after four and a half years because they failed. The program said that one-fifth of Australian homes have rooftop solar. That has caused some issues for Synergy, with a lot of that power going back into the grid. The Clean Energy Regulator has inspected only 1.2 per cent of these systems. From these inspections, one-sixth of systems were found to be substandard and one-thirtieth to be unsafe. Late last year, the Australian National Audit Office found that there are likely hundreds of thousands of substandard systems and tens of thousands of unsafe systems. Homes have burnt down as a result of unsafe solar panels. Steve Attard from the Melbourne Metropolitan Fire Brigade said that in the last five years, there have been 25 fires involving solar systems. The National Audit Office has also found that home batteries have the risk of electric shocks, gas explosion and fire. About 60 000 batteries have already been connected and Australia does not have an agreed minimum safety standard for their installation.

LG Electronics general manager, Markus Lambert, told the program that poor-quality solar does not help Australia reduce its carbon emissions. The problem in many cases is that the solar panel has not even regained its CO₂ footprint by the time it has failed. The carbon footprint from manufacturing is not even recovered by the time those substandard solar panels reach the end of life. He said that the irony is that we are paying a rebate for solar when it has not helped with abatement. Mr Lambert said that Australia does not have a mandatory recycling scheme for failed panels, meaning they end up in the local tip, as was the case with Mr Leighton's panels. When we look at the environmental impact of solar panels, particularly substandard solar panels on roofs in Australia, we see that there might be a bit of a feel-good factor to have the panels on the roof providing clean energy for the household and maybe reducing the cost of bills. But if the solar panels are not recovering their carbon footprint and are failing early, so their capital cost is lost, and we end up with a waste product that cannot be recycled and goes into landfill, I do not see that they are environmentally viable. These stories only highlight the need to have an efficient, reliable system for generation that does not fail or become a hazard to homes because of fire, or become a burden to the environment as panels are prematurely sent to landfill. As I said earlier, renewables have their place, but they are not a substitute for baseload power.

As per the Treasurer's budget speech, standard public transport fees will increase by two per cent. There will be a 2.5 per cent increase in household water charges. Overall, the basket of charges paid by the average householder will rise by only two per cent. No matter how modest these increases may be, they nonetheless increase the cost of living, and there are pressures on people who are already feeling the pinch. As I mentioned earlier, I have noticed that funding for the hardship utility grant scheme for Western Australians who cannot pay their bills is being reduced substantially, from \$16 million to \$10 million.

A lot has to be done. Many of us would remember the early 2000s when we had the brownouts in Western Australia because there had been no investment in the power grid and it was therefore failing the state. As we go into the future, we are going to find the same thing with power generation. As the coal-fired power stations begin to age, they become inefficient and environmentally unfriendly, and if there is no investment in baseload power, I think in the next five to 10 years we will feel that bite in. There needs to be some investment now to make sure that we have a good, reliable system. Of course, it is not just for domestic households. We also want to be competitive in manufacturing in order to provide jobs and prosperity for the state. One of the key factors in being competitive is to have good, reliable, affordable power to manufacture and produce goods.

On 27 May, there was an ABC article entitled "Synergy crashing to financial loss amid move to control power prices and solar energy 'challenge'". It reported that Synergy may need to borrow \$140 million. It goes from bad to worse in that we, as taxpayers, now have to contribute \$140 million over the next four years to Synergy's capital works program to keep it going. During the estimates committee hearings, the Minister for Energy, Bill Johnston, confirmed that Synergy will fall into the red in 2019–20 as the gap widens between the cost of producing electricity and the price consumers pay. One of the issues with Synergy is the tyranny of being a monopoly. Deregulating the

generation and supply market and creating competition is a way of driving those prices down, as is getting private capital into the system so the government does not have to pony up the dough to build these power stations, but seeks private capital and brings private enterprise into the electricity market.

The Standing Committee on Estimates and Financial Operations made some comments about Synergy in its seventy-seventh report. Under the heading “Conclusions”, at paragraph 5.46, the report reads —

The Committee is of the view that Synergy’s persistent late tabling of its SCI displays a certain disregard:

- for its accountability to the Parliament
- for the commercial health of enterprises owned by Government.

Further, Synergy does not appear to have undertaken any institutional self-reflection between the two reporting periods. This is despite Synergy’s awareness of the Committee’s interest in SCIs and the Auditor General’s frequent reporting of late SCIs.

Finding 1 states —

Synergy exhibits a culturally entrenched ambivalence about its Statement of Corporate Intent responsibility.

Synergy copped a bit of a rocket from the Standing Committee on Estimates and Financial Operations about its operations and efficiencies. Again, these are the sorts of things that begin to seep in when there is a monopoly.

An Auditor General’s report titled “Firearm Controls”, tabled on 15 May, found a number of weaknesses. The Attorney General spent \$415 000 on this inquiry and its report, which found a number of issues with the firearms licensing and registration system. It is quite disappointing that despite almost \$9 million having been invested in the Western Australia Police Force IT system, it continues to be plagued by inefficiencies. A lot of the issues raised by the Auditor General have persisted for a long time.

The key findings of the report included that staff are not comfortable using the system and use their own spreadsheets to maintain licence applications, deceased estate firearms and inspections. They are still doing manual workarounds in this day and age, and that is unacceptable after this sort of investment. It can take weeks to receive a report from the system and the information received may not be reliable. The system is vulnerable to malicious access and changes to stored information. Unfortunately, we need more investment and another IT upgrade to be able to cover off some of these things. It is not just the issues of community safety and ensuring that we have an accurate, reliable and secure licensing and registration system; there is also the service delivery to those firearm applicants who deserve to have a reliable system—not a system that is clunky, out of date and requires a manual workaround. Unfortunately, there is no reference in the budget to any more investment into the firearms licensing and registration system.

One of the key objectives of the Firearms Act 1973 is community safety. I think everybody accepts that community safety is extremely important. It is also balanced off. To give a little bit of history on this, I moved a disallowance motion back in 2013, because the cost recovery fees had skyrocketed by 400 per cent for some applications. There were some massive increases, and that triggered an inquiry from the Joint Standing Committee on Delegated Legislation. The Chair of that committee was Mr Peter Abetz and the Deputy Chair was Hon Robin Chapple. The fourth point of the executive summary in the committee’s sixty-eighth report states —

The Committee resolved to advise the House of four controversial matters arising from the hearing and those submissions. The matters are: (1) the processing of applications for firearms licences, (2) the opportunity for error in such processing, (3) the Noting fee for additional firearms on certain existing licences; and (4) the costs of licences in other jurisdictions.

Recommendation 1 states —

The Committee recommends that the Minister initiate a review of the *Firearms Act 1973* and advise the Legislative Council and the Legislative Assembly of the timeframe for the review.

There was a review of that act, and I will talk about that a bit later. In tabling the report, in October 2013, some interesting comments were made. Mr Peter Abetz said —

We present this report to assist the other place during the debate on the notice of motion to disallow the amendment regulations in due course ...

Further, quoting a committee resolution, he continued —

If an agency has a costing methodology and the amended fee is under recovering or at cost recovery, then accept the increase.

On the basis of that resolution, the committee concluded that the amendment regulations are within power of the Firearms Act 1973.

Those regulations ended up continuing on. Further —

However, the committee received many unsolicited submissions regarding the fee increases. It considered the quantum of fees further by holding a public hearing. The committee resolved to advise the house of four controversial matters arising from the hearing and those submissions. The matters are: first, the processing of applications for firearms licences; second, the opportunity for error in such processing; third, the noting fee for additional firearms on certain existing licences; and, fourth, the costs of licences in other jurisdictions.

...

Some fees were increased by 400 per cent. I can well imagine that anyone in the community who has to pay an annual licence fee that suddenly goes up by 400 per cent would not be particularly thrilled with that prospect.

Many people certainly were not thrilled. He continued —

If I remember correctly, the committee received 89 written submissions, although it did not call for them; people simply chose to write to the committee. The explanatory memorandum from the police department that accompanied the amendment regulations states —

an adverse reaction is expected from the firearms industry ...

Later in the debate, Mr Abetz said —

The committee was astounded by the totally convoluted, complex processing system used in this state for registering firearms.

...

I just find it unbelievable that in this day and age we have such unnecessary double handling. It just defies description. I will give members an indication of what happens.

I will not go through all of that. He goes on a fair bit about the process involved—going to Australia Post, going to the gun shop, and everything else. This was in 2013, and the sad thing is that \$9 million has been invested in that licensing and registration system, but the issues raised by Mr Peter Abetz remain. It is still a clunky, outdated and ineffective system, as was revealed in the Auditor General's report.

The review of the Firearms Act, as recommended by the Joint Standing Committee on Delegated Legislation, did take place, and it was tabled on the last sitting day in 2016 as a report of the Law Reform Commission. It was quite a lengthy inquiry over a couple of years that I got quite heavily involved in. On page 19 of the Law Reform Commission's discussion paper, one of the comments stated —

The *Firearms Act* reflects a prioritisation of community safety and a concern to prevent harm, particularly fatalities, caused by firearms. In the Commission's view, these are appropriate aims for such legislation.

I do not think anybody would disagree with that. The document continues —

However, community safety is not the only relevant consideration. Firearms are also capable of being used for many entirely legitimate purposes—such as being enjoyed for their historical value as collectors' items, shooting at targets in sport, or serving as essential tools of trade in the agricultural sector and in pest management. Ensuring that people may obtain and use firearms for purposes such as farming, sport, hunting, pest control and collection, are legitimate aims of legislation such as the *Firearms Act*, just as harm minimisation is also a legitimate aim.

The commissioners are saying there that there needs to be a balance to make sure that the firearms community has an efficient, reliable and cost-effective system. It has been a little disappointing that we have not really progressed too far with the 143 recommendations contained in that Law Reform Commission report. I was on a working group for some six months with police and other stakeholders working through what we called the first tranche of amendments to be put forward to cabinet to try to get them through Parliament. They were very practical outcomes, such as shared storage within a firearms cabinet for visitors or people travelling to shoot in a competition or whatever the case may be. Unfortunately, even though our last meeting was before Christmas, the recommendations have not yet seen the light of day. I have heard on the grapevine that they are about to be presented to cabinet; it will be interesting to see how long it takes cabinet to contemplate the issues surrounding those recommendations. I have not seen, and do not know, what the minister presented to cabinet. I am hopeful that the agreement on the recommendations that should be implemented will be honoured, but we will have to wait and see.

There are small things in those recommendations. In this day and age, people still have a card with a photo on it and a piece of paper that details the firearms they have, and they have to carry both of those. It is quite a clunky system. Why not have a single smartcard with a chip that police can put through their computer in their police car, or whatever the case is, to bring up the owner of firearms? It would be a very efficient system that would make it a lot easier for people when they buy ammunition at a gun dealer, because they would not have to write their name

and address in a book on the desk, which I think presents some security issues. In these modern times, when we have information technology, we are still suffering with a very outdated system.

I will move on to fishing. There is \$4.1 million allocated in the forward estimates for 2020–21 to 2022–23 to build a marine finfish nursery and broad stock housing facility in Geraldton to help fast track growth of the aquaculture industry in the midwest. I am a great supporter of aquaculture and I think that fish farming is underutilised in this state's waters. I welcome any investment in that industry. I believe there is \$1 million of state funding, which is not a significant amount but I suppose it is a start, and there is hope for a further \$3.1 million in external revenue from the sale of juvenile fish stocks. I will be watching with some interest to see how that industry develops over the next couple of years. Hopefully, it will be successful.

Fortunately, this year we have not seen any further rise in the cost of a recreational fishing licence for anglers. It is somewhat of a relief for them, because they have suffered \$10 hits. It does not sound like a lot of money, but when a person buys a number of recreational fishing licences—boat fishing, abalone, marron and freshwater fishing licences—it all adds up. I think the total increase was around \$60. For some people, fishing is their primary pastime and they may not be flush with funds to pay the licence. The last thing we want to do is to discourage people from fishing, because it is a very good pastime for very many people.

Even though it is not a line item in the budget papers, I want to comment on the report “Economic Dimension of Recreational Fishing in Western Australia: Research Report for the Recreational Fishing Initiatives Fund”, which was released earlier this year and again highlights how important recreational fishing is to the economy. WA fishers spend \$2.4 billion every year on fishing, with \$1.8 billion spent on fishing trips, \$159 million on gear and \$389 million on boats. Having owned boats in the past, I can imagine that boat expenditure is that much. People say that “boat” is an abbreviation of “break open another thousand”! Boating is an expensive pastime because of the servicing and equipment requirements of boats, and all that money goes into the local economy. The annual economic breakdown includes accommodation worth \$37 million; bait and ice, \$244 million—that is a lot of bait and ice—boat fuel, \$418 million; food and drinks, \$605 million; clothing, \$13 million; and land travel, \$477 million. A substantial amount of money is spent on recreational fishing. Recfishwest CEO, Dr Andrew Rowland, said in a media statement in March this year —

“... it's not a tax, people aren't forced to spend their hard earned dollars to go fishing, they choose to. \$2.4 billion is the new baseline for recreational fishing value, as long as fishing experiences are protected and enhanced this figure will continue to grow.”

I agree with him. It is a huge number of people, who, of course are spending taxed dollars in their recreational pursuits. Interestingly, the report broke down the amounts by region. In the Gascoyne region, \$28 million is being spent. That is very interesting because there is no coastline there. In the goldfields, \$147 million is spent on recreational fishing. I would say that they do a fair bit of travelling. In the great southern, \$46 million is spent; the Kimberley, \$184 million; the metropolitan area, \$1.1 billion, which is understandable; the midwest, \$76 million; the Peel region, \$217 million; the Pilbara, \$190 million; the south west, \$306 million; and the wheatbelt, \$43 million. Each region certainly gets a lot of benefit from recreational fishing.

I saw in the budget papers that funding for the wild dog action plan has been increased from \$520 000 to \$3.07 million, so we are now getting serious. It was reported in *The Countryman* of 23 May, under the heading “Farmers celebrate pest-proof fence start”, that work on a state barrier fence extension started on 23 May, marking the end of a 20-year battle by farmers to protect livestock. The complete fence will extend 660 kilometres from its end point, 25 kilometres east of Ravensthorpe, north around Salmon Gums and terminate east of Esperance near Cape Arid National Park. It will be a great help to farmers. Wild dogs have presented as a major problem in the pastoral region. I have had reports of dogs eating all the sheep and now starting on calves. It is very difficult for many pastoralists to undertake their agricultural pursuits. That report was on the impact of wild dogs in the agricultural sector, so I hate to think of their impact on wildlife such as kangaroos and small marsupials et cetera—I am sure the wild dog issue is absolutely devastating for the environment. The more we can do to combat the wild dog problem, the better.

We will debate a disallowance motion tomorrow on distinguishing dingos, which will be an interesting debate. Wild dogs are certainly presenting as a major issue. I have heard some reports that they are not small dogs. Some people have seen, basically, dingos crossed with mastiffs. It would be quite a scary prospect if three or four of those bailed up a person. I met with one of the mining companies last week about an issue and was told that if they have a barbecue, dogs take meat off the barbecue. When they build a fence, in the morning the dogs are sitting on top of the fence. Dealing with wild dog issues and ensuring the safety of their workforce is becoming more and more of a problem, so the more we can do to reduce wild dog numbers, the better.

I refer to fire management. The government has committed to the ongoing cost of phase 4 of the emergency alert system and a technical refreshment of EAS phase 3. An additional \$1.9 million will be spent in 2019–20 to 2022–23, representing the state's contribution to the national scheme. Recurrent expenditure of \$5.3 million across 2019–20 to 2022–23 has been approved for a multipurpose facility in Collie that will enhance emergency management

capability in Collie and the surrounding areas. It will comprise an emergency driver training school and an incident control centre, and will be able to maintain and manage up to 70 high fire season fleet appliances. An additional \$7.5 million in capital expenditure will come from the industry attraction and development fund in Collie and will be invested in 2019–20 and 2020–21. When I read that, I thought that anything like that for Collie and the emergency services is a good thing. However, it worries me that the emergency services levy has been increased over the last year or two, which I think will raise \$120 million for the establishment and operation of the Rural Fire Division, amongst a couple of other things, such as marine rescue. It is a bit disappointing that the new money is coming from outside the Department of Fire and Emergency Services budget and the raising of the emergency services levy. I would have thought that this should have been funded from the DFES budget, particularly given there was a large increase in the ESL. It is now raising about \$391 million across the state—I think the forward estimates go to well over \$400 million—yet we have to take \$7.5 million out of the industry attraction and development fund.

Obviously the government is trying to pump prime Collie; there have been a lot of issues around Collie with the shutting down of coal mining and the power stations reaching end of life. The government is trying to pump prime Collie with ecotourism, mountain bike riding and the DFES training centre, but if it is really going to look at the long-term viability of Collie, it should be looking at high-efficiency low emissions power stations, so that Collie does have a future.

Hon Colin Tincknell: What about nuclear?

Hon RICK MAZZA: Well, nuclear is something that should be contemplated, honourable member. That is something we can maybe discuss another day.

The government has approved \$22 million from 2019–20 to 2022–23 for the continuation of its enhanced prescribed burning program in forest areas and on lands managed by the Department of Biodiversity, Conservation and Attractions in the south west. There has been smoke everywhere for months in the south west—choking smoke. I am happy to put up with it because the conditions have been absolutely fantastic for prescribed burning. I must congratulate the minister; he has taken full advantage of those conditions and we have seen prescribed burning all around the place. I can say that, living in a very fire-prone area, it is quite comforting to see that burning off going on all around and to know that if there is a fire at some point, it will be a lot more manageable after the prescribed burn has gone through. It is very good to see that.

Some \$685 million will be spent on regional roads—specifically, on construction of the Albany ring-road, the sealing of the Karratha–Tom Price road, and upgrades to the Coolgardie–Esperance Highway. However, there seems to be an absence of funding for the Agricultural Region. I have had a lot of inquiries from farmers and others about the restricted access vehicles network throughout the Agricultural Region. Over the last six or seven years, the tier rail network has diminished and we now have only limited rail. A lot of product is now transported by road, but if it is going to go by road, we have to have the roads and infrastructure in place to be able to accommodate that product, such as grains and fertiliser, at different times of the year. There are a lot of issues surrounding that.

I received a phone call only last week to say that the Department of Transport had been writing a lot of tickets for people who do not have RAV network permits. Farmers, by nature, just want to get the job done; paperwork is not their strength, so they will wing it. It is also my understanding that a lot of local governments give exemption permits at certain times of year to enable carriers to transport fertiliser or grains. I went to a Western Australian Local Government Association zone meeting at which concerns were raised that those local government exemptions may not be legally sound, so risks are being taken. As some council members said to me, “We need to take the risks, because it is part of who we are out here, and we’ve got to continue business.” I really worry about the fact that local governments are taking this risk and that operators of trucking companies or farmers driving their own trucks are also taking risks. Sometimes they are travelling only as far as from their farm gate to the RAV network, but if something happens in between, there could be all sorts of trouble for them.

Hon Jim Chown interjected.

Hon RICK MAZZA: I am not sure whether that policy is still in place, member, but it would be good if the Department of Transport would look at some legislation around this and if there were more restricted access vehicle-rated roads within the Agricultural Region so that people can get on with business. Agriculture is a very important part of the economy and the overall structure and infrastructure of the state. Farmers and local government need to have some certainty around that RAV network and there needs to be a lot more investment in roads. I know that it can take some time for some shires, particularly after there has been a heavy rainfall event, to get those roads back up and running, and that causes all sorts of issues. Investment in lime roads and things like that really needs to be considered as well.

It was pleasing to see that the department of agriculture will get an increase in its funding in this budget. The poor old department of ag has been ravaged by budget cuts over many, many years, but there is an increase in funding. An amount of \$3.3 million has been allocated for critical upgrades to laboratories at the Department of Primary

Industries and Regional Development's South Perth facility to ensure that the important scientific work can continue on that site. A staffing level of 1 580 full-time employees will be maintained. This budget funding will hopefully go a long way to enhancing the capability of DPIRD and ensuring that it continues to play a key role in the agricultural field in the future. It is good to see that investment. I know that stakeholders and representative groups have also congratulated the government on that.

Last year we passed the Duties Amendment (Additional Duty for Foreign Persons) Bill, which was going to raise some \$120 million over the forward estimates. As I foreshadowed at the time—I am not saying “I told you so”—that foreign investment has pretty much evaporated and not many investors are looking to Western Australia to invest in residential real estate. I asked a question recently and the government said that it is going to re-evaluate what sort of income it will get from that surcharge. In *The West Australian* there was an article titled “Foreign buyer slug crippling Perth apartment projects”. A lot of developers are feeling the pinch on this. The article states —

The State Government has ruled out any change to the 7 per cent surcharge for foreign property buyers despite apartment developers complaining that the impost has smashed off-the-plan sales, putting new projects in jeopardy and damaging job creation.

The Government introduced the foreign buyers duty for residential properties on January 1 in the hope of raising \$123 million over 3½ years to 2021–22.

Data from urban planning design and research firm Urbis shows the sale of new apartments to foreign buyers fell from 120 in the December quarter to just 14 in the March quarter.

Apartment sellers have called for the surcharge to be dropped ahead of tomorrow's State Budget ...

Of course, that did not happen. The article goes on to state —

“Without those early sales, projects are at risk of not getting off the ground,” she said.

Ms Brewer said the typical overseas buyer was a family with children studying at Perth universities and colleges.

“These students have, on average, three visits from family during the year, so the impact to the economy by declining foreign apartment buyers should be of serious concern to the Government,” she said.

There have been quite a few other articles about foreign investors. Most foreign investors are now not coming to Western Australia to invest. Of course, that also puts pressure on residential rental market supplies. If investors do not have these properties—sure, it might be for kids attending university, but often they provide rental stock to Western Australians—it is a bit of a worry. I do not know whether the government is going to review the foreign investor surcharge at some time in the future to look at abolishing it. Obviously, the money will not be raised. It has evaporated. People are just not coming here to buy and there is an impact on the overall housing market, particularly at a very vulnerable stage when the housing market is really struggling to gain traction. There are green shoots but then they burn off and there are lots of promises for the future of the housing market. The primary wealth of Western Australians is in their home. Through an agreement between themselves and the bank, that is usually where they invest their money. Many people are currently underwater as far as their mortgage and house value is concerned. Bringing in a surcharge at this vulnerable time was a mistake. It has affected the housing market, particularly off-the-plan sales, and we may see that continue.

I was quite pleased to see that the government has not done away with the first home owner grant for new homes. The Real Estate Institute of Western Australia has said—as it should—that the first home owner grant should also be extended to established homes. In fairness, first-time home buyers of established homes receive a stamp duty concession, which can add up to \$10 000 or \$12 000. If a first home buyer purchases an established home, they already have that concession built in as a stamp duty rebate. If they build a new home, they will also get a rebate on land worth up to around \$300 000 and then \$10 000 for building a new home. First home buyers overall are doing quite well with those grants and concessions.

I was also pleased to see that the government is going to increase the eligible income limits for Keystart. It is a little disappointing that that will be for only six months between July and December. The eligible income limit has increased by \$15 000 for singles and \$20 000 for couples. That will help first home buyers to get into the market, and it will stimulate and get the market moving along. Any assistance like that is a good thing. One of the good points about Keystart is that mortgage insurance is not attached to the loan. Most borrowers who go to a bank with a deposit of less than 20 per cent are up for mortgage insurance, which could cost \$10 000 to \$15 000 or more. That is added to the loan and over the life of the loan, it becomes very expensive. A Keystart loan does not require mortgage insurance. In fact, the federal government has also flagged that as part of its first home buyer scheme, it will cover off mortgage insurance. Keystart has the ability to sell its loan book, as it has done in the past. The lending capacity has been boosted to \$4.8 billion. I would think that Keystart's loan book is pretty secure. I know that Keystart has some very good counselling programs for people who fall behind on their Keystart loan repayments. It assists people to get back on their feet and ensure that they continue to pay off that loan. However,

that loan book has a value that is often more than the mortgages attached to it because of the future income that that loan book will have. The government has the ability to develop this loan book, to onsell it and then to use that money to reinvest in Keystart. I know that the previous government sold the loan book. This is something that the government could change from time to time because Keystart provides people with housing and the ability to own their own home, and it takes pressure off the Department of Communities' rental system.

I turn now to state taxes. In 2019–20, we will raise around \$9 billion in state taxes—that includes stamp duties, land tax and payroll tax et cetera. The government found out with the foreign investor surcharge that it cannot tax itself out of trouble. Taxes were applied and it was expected, on the numbers, to get a certain amount of money back. Of course, if governments tax too hard, people do not invest. This was highlighted in an article in *The Sunday Times* last week. It describes how once thriving Beaufort Street is starting to have some problems. One of the issues is that a lot of businesses are now closing and moving on. Part of the blame has been attributed to the greed of ignorant landlords—that is one allegation. However, Mr Zimmerman, a landlord who owns some properties there, said in the article —

“Three years ago we paid \$40,000 in land tax on the Astor and today it is \$56,000 ...

Of course, that gets passed on to the tenant as part of their variable outgoings. A lot of the pressure tenants and businesses face comes from additional taxes and there is an impact on the economy when those businesses fail. If there is no turnover in sales, there is no stamp duty revenue. Some articles have been written about this issue. New South Wales and Victoria relied on certain stamp duty and revenue receipts, but they contracted when the market cooled down and they are now looking for more money to fund their states.

Those are the issues I wanted to cover. Obviously, a lot more can be done in the area of energy in this state. If we can get good and reliable baseload power up and running, there would certainly be a ripple effect in benefits and incentives for people to invest in Western Australia and they would not be scared away with surcharges. With that, I end my contribution.

Debate adjourned, on motion by **Hon Ken Baston**.