

LOAN BILL 2015

Second Reading

Resumed from an earlier stage of the sitting.

The DEPUTY PRESIDENT: Members, we intend to resume consideration of the Loan Bill 2015. Hon Kate Doust sought leave to continue her remarks later today, thereby enabling us to hear the inaugural speech of Hon Martin Pritchard. I take this opportunity to welcome his family and friends to the President's gallery for this important occasion. I particularly welcome Hon Ed Dermer, a former member of this Chamber who is greatly missed, and his son, Cameron, and also Senator Joe Bullock. Welcome to the Legislative Council. Before I give the call to Hon Martin Pritchard, I remind members that it is an inaugural speech, and, according to the customs of the Council, the timer will not be used, and as a courtesy to the new member, the speech should be heard in silence.

HON MARTIN PRITCHARD (North Metropolitan) [5.08 pm]: Thank you, Madam Deputy President. Firstly, I would like to take the opportunity to acknowledge and recognise the traditional owners and custodians of the land on which we meet. It is with great humility that I rise to speak today, this being my first real contribution to this place. May I start by expressing my gratitude to the President, to the Clerks, and to all the parliamentary staff, for their assistance and for making me feel so welcome since my swearing-in.

First and foremost, I would like to thank the electors of North Metropolitan Region for their continuing support of the Labor Party, and, in this particular instance, of me personally. I will work hard to try and justify the trust that they have placed in me.

Before I speak a bit about myself and the aspirations that I hold, I would like to acknowledge the work of those who have recently held this position before me. I have had the pleasure of knowing and collaborating with Hon Edmund Dermer and Hon Ljiljana Ravlich for nearly 20 years. During that time, I have seen the tremendous contributions that both of these fine individuals made to the lives of all Western Australians through their work in this place. I can only hope that I can emulate their drive and commitment in the years to come.

Turning now to my own journey, I was born in 1959 in Lymington near the New Forest in the south of England. We lived in a caravan park for the first few years of my life, but it was not long before we moved a couple of miles away to a council house in New Milton. Even at that age, I knew that my parents were doing everything they could to provide my sisters and me with the best home that they possibly could. As an aside, I believe that housing or, more particularly, the ability to build a home for your family is where it all begins. It is where our young learn the fundamentals of life and where we first teach them right from wrong. I think that it is important to do all we can to hold on to the great Australian dream of owning our own home, but the quarter-acre block should be consigned to the pages of the history books. For that reason, I hold some real concerns about the reduction in and, more recently, the proposed abolition of the first home owner grant as it applies to established properties. I understand that it is proposed to continue for new housing, but in my view this change may only contribute to the urban sprawl, particularly in the northern corridor. I think that the removal of any assistance for buying existing homes could have the effect of driving young families—those that are most likely to take advantage of assistance afforded to owning a new home under the grant—further and further away from the support of their extended family, who are more likely to live in more established suburbs that are closer to the city. I would think that this change could encourage an increase in overall costs as we build more and more infrastructure to support the urban sprawl. I believe that we need to look at new initiatives that encourage high quality, high density housing within the boundaries of the existing metropolitan area—initiatives that encourage two, three or even four homes on that quarter-acre block, which has all the infrastructure already present. I see some moves in this direction already, but we should do more. I see so many positives in taking a fresh look at what we are currently doing in this area that it will be something that I want to turn my mind to while I am in this place. Anyway, back to my childhood.

The family's next move was a little further than the first. On my eighth birthday, my father, Ken, mother, June, and my two sisters, Beverly and Theresa, made a life-changing voyage to Fremantle on the *Fairstar* to take up a new life in Western Australia. For those members who take an interest in the different cultures that have chosen to make Australia their home, I can confirm that, yes, it is true, we were ten-pound Poms. I do not say that with any derision whatsoever as I believe that Australian society has grown rich, strong, interesting and durable with the contribution of the different waves of immigrants that have arrived on these shores over the years. Of course, there were many challenges for my family then, as there are many challenges for all new Australians, but the tolerance, lifestyle and opportunities that are available in Australia are second to none. Coming from a predominantly Anglo-Saxon country like England spared us many challenges, such as learning a new language, learning new laws or getting to understand the new culture, but we still had many other challenges to contend with. We had to build a new home and make new friends, and although things were

similar, they were not always the same. What struck me most at that age was the distances people had to travel. Many of the old neighbours in England would have only travelled out of the village once a year when going on their yearly holiday. It was quite a shock to the family when dad told us that he was going to some place called Tom Price to work and that he would only get back to Perth occasionally because of the distance. I still remember the shock when I finally looked at the atlas at school. I do not think even now many people in England could comprehend the standard daily commute of one of my constituents in the northern suburbs. During my time in this place, I hope to work towards reaching some consensus on how we might reduce the frustration that this daily travel creates. I would like to congratulate the opposition leader, Mark McGowan, for his continuing contribution to the debate on the problems that congestion causes families in the northern electorates. I think that his suggestion, as encapsulated in Metrohubs, is a bold plan to bring jobs out to where we live, thus reducing the waste of time and the pollution that occurs every day as we spend hours on crowded public transport or in our cars getting to and from work. We sometimes need to be bold if we are going to tackle big issues that are having a negative effect on the families that we represent.

It reminds me of when I was young and my dad would take us kids to Perth to see a movie or to do some shopping or even to have lunch at a cafeteria at Coles Variety store. These days all of this is available in our own suburbs at our own local shopping centres. Of course, this does not make our Perth Lord Mayor very happy, but it does make it easier for families. It seems to me that in years to come more and more of our jobs may be able to be relocated nearer to where we live. But, again, I digress.

The isolation that my parents must have felt with my dad working away was just one more sacrifice that they were prepared to make in an effort to buy and establish a home for the family. I feel I must declare my admiration of all parents, including my own, for taking such a leap of faith into the unknown for the sake of their children. In hindsight, it was probably this challenge, amongst the many, that led to my mother and father parting ways not long after our arrival. One would think of a divorce as being a very sad event, and it was back then, but when the result has been that they have both found loving life partners of their own, I find it difficult to think of it that way now. I feel lucky to say that I am happy to also call Catherine and Hans my parents, and I would like to sincerely thank both of them, along with my mum and dad, for raising me to the person I am today. I, like many others, hold a view as to what an optimal family unit might look like, but my own upbringing has taught me that the most important components in any family are love and commitment. I enjoyed both of these in abundance throughout my childhood.

Although I attended what I believe to be good public schools, being Hampton Park Primary School and Hampton Senior High School, I was not a scholar by any stretch of the imagination; indeed, I left school as soon as I was able on the pretext of trying to learn a trade. My first attempt at gaining this Holy Grail was as a timber machinist. The fact that I still have all my fingers is not a testament to how successful I was but, rather, that I parted ways with that career very soon after I started. If I was being kind to myself, I might say it was by mutual agreement, but the reality was that leaving school at that early age left me very much unprepared for the responsibilities of life as an adult. I think that it was my latter realisation of just that fact that led to my strong support of the planning and the provision of recognised traineeships as a further alternative to traditional apprenticeships or the university stream as a career choice. Until recently, I was the chairman of the board of the Retail and Personal Services Industry Training Council; indeed, it was in this role that I first had the pleasure of meeting Hon Peter Collier, when he was the responsible minister. I must admit to being very impressed by his passion and support. I would like to take this opportunity to wish the CEO, Norma Roberts, and the new chairperson, my continuing support and good wishes for the future—my apologies for further digression.

My father then tried to help, as he always did, by trying to teach me his own trade. My father was a very good bricklayer, which is one reason why we were sponsored to come to Australia in the first place. He spent many months trying to instil in me the skills required of his trade. Even now I can remember what he said of every job he ever did. “Martin,” he would say, “it should always be straight, level, plumb, neat and tidy”. I know he is the best bricklayer in the world but either he is not a great teacher or I was just not that good with my hands. The intervening years have taught me and my long-suffering wife that it is most likely the latter, which is why I decided to try to get a job in one of the service industries. My dad did teach me a good work ethic, which has served me well in every job I have had in the intervening years. My first job in retail was at Coles Variety, both in Melbourne for a short time and then in Victoria Park. Although I was grateful to have regular employment, what struck me most about my work environment was the inherent unfairness of opportunity. I will qualify that by saying that it is no longer the case, but back in the 1970s a woman could realistically aspire to no more than a front-end controller. In contrast, even a new young pup like me was put on the accelerated management program just because I was a man. People who know me will understand how badly this affected me. I am not a person who can embrace unfairness of any kind. I am not even a fan of positive discrimination, although I accept that it is sometimes necessary to achieve a fair outcome. Then again, I also do not believe that the ends justify the means, which just goes to prove that there are no simple answers. At least I was able to recognise it

for what it was, but unfortunately, as the young man I was back then, I felt helpless to tackle such an ingrained problem.

Luckily for me though, a job became available at the Aherns store in Perth. Although it turned out that there were other challenges, at least there was no inherent favouritism based upon gender. I had been a union member at Coles, but it was at Aherns that I first became active within my union. Little did I know at that time how big a part of my life my union was to become, but I will return to that shortly. It was also at Aherns that I met the love of my life and the woman who I wanted to spend the rest of my life with; fortunately for me, they were one and the same person. My future wife, Gina, was working for the Lotteries Commission when I first met her. It had a counter on the ground floor of Aherns back when it sold lottery tickets. Lottery tickets are probably one of the best indications of how fast-paced our modern society has become. Those who are a fair bit younger than me will not credit it, but we used to buy 50 cent lottery tickets and wait months for the results of that particular draw to be published in the local newspaper—a far cry from the almost instant gratification of lotto. I use the term gratification loosely as I suppose that is what people feel when they win; a feeling that, to date, I am unfamiliar with.

I cannot say how much money I spent buying lottery tickets before I finally found the courage to ask Gina out. I remember that for our first date we went to the movies to watch a new release called *Flying High* and then went to the Red Castle restaurant in Rivervale for a meal. Neither the cinema nor the restaurant is still in operation, but I remember that night like it was yesterday. I think we clicked straightaway, but it was not till I found out that she had spent \$50 just doing her hair that I really thought that this young lady might really be interested. Just to give you some idea of what that meant, I can tell you that back then \$50 was a significant part of a week's wage. Not that I ever regretted it, but I can finally reveal that I also spent nearly a week's wage that night. All I can say is that I was very pleased to have one of the newly introduced Bankcards that week. Things moved rather quickly from there and I am happy, proud, and delighted to say that Gina and I have now been married for 33 years. It would be true to say that there has been no greater influence on my life than my wife. Even so, just for the benefit of any media that may be listening, I did have a life before marriage. I was a young man growing up in the 1970s. It was a time of ridiculous clothes, annoyingly few Sunday sessions, petrol rosters, disco and a funny type of innocence. I, for one, can truthfully say that I never inhaled but I did down quite a few middies during that time. For those of you who can remember, and some of you who were there but cannot, these were interesting times. But however delightful my formative years may have been, there is nothing that has made me happier than my marriage to Gina and the children who have come from it.

It was at this time that I really started to grow up and think about my future—or should I say, our future. I was in a job I really liked and I had met a young woman who I wanted to make a home with. When you get to that point in your life, you really start to think about the quality and security of your life. That means looking at the status of your employment because it is your job that allows you to provide the necessities of life for your family, but I believe that it also provides the backbone to any productive life. It was all the more important because we had decided that, if it were possible, one of us would stay home to look after any children that we may be blessed with, at least in their early years. Our resolve on this was put to the test sooner than we had anticipated with the birth of our first child, Jessica, almost one year to the day after our marriage. Although Gina took this first opportunity to be a homemaker, I was to get my chance a couple of years later with the birth of our second child, Danielle.

With my half of the marriage partnership at this time being to maintain a steady income into the household, I looked around my workplace with a critical eye; what I saw was worrying. I had a reasonably good boss, being the Ahern family, but I also saw that they had a propensity to hire well-connected socialites in positions of management in many of their high-fashion areas. I can tell you, Aherns had a lot of high-fashion areas. Unfortunately, many of these people had very little human management skills, which in my view, often led to unjust outcomes when conflicts occurred. I also became aware of just how low the union density was, which also suggested to me that there was no real balance in the working relationship. If there was no union and a manager gave you an instruction that you disagreed with, you were left with the three Ls: like it, lump it or leave. As you would expect, conflicts did not happen regularly, but they did happen and what did you do when there was real disagreement, for example, about how you had been spoken to, or working overtime on public holidays when you wanted to spend time with your family? It was inconceivable that an employee would complain directly to the Ahern family, or run off to the Industrial Relations Commission to have it dealt with. If you were not in the union, you were left with the three Ls. It was at this time that I again joined the Shop, Distributive and Allied Employees Association, which is better known as “the shoppies” or the SDA. I also started to take notice of what the SDA did outside my workplace. Back then, much of the work to improve wages and conditions was being accomplished by improving the underpinning state awards. I saw the new leadership team of Mark Bishop and Joe Bullock reinvigorating the union that had responsibility for looking after workers in one of the biggest employing industries in the state. Although my initial foray into trying to unionise fellow workmates at the Perth store was nothing to write home about, I was very impressed at the successes that Mark and Joe were having at

improving the status of shop assistants at that time. I was also very grateful because their work was having a direct impact upon my pay packet.

Their success was even more important as I moved first into married life, then parenthood and finally into homeownership. It was not long into our marriage before I realised that what Gina and I had was a true partnership. Gina initially did all the groundwork for buying our first home, then camped out in front of the real estate office, in what was then the new part of Heathridge, for a couple of days and nights so that we could get the perfect block to build our home on. Truth be told, I am not sure that even now we totally agree on what constitutes the perfect block but I did become very proficient at building many, many, many retaining walls out of old railway sleepers. Still, the fact that we had our own home was all down to Gina's hard work and persistence and I love her dearly for that. I, for my part, was working fairly hard at the time in a couple of jobs putting money aside for the deposit, so sleep and I were strangers there for a while. One of the extra jobs I had during this time was working on the weekends as a waiter at the Bazookia Restaurant in Northbridge. Sad to say, this restaurant is also not in operation and is now a car park—just another sign of the changing times.

With the move into a new home in the northern suburbs, I also transferred to the Aherns store at Karrinyup. What I found there was much the same as what it was like at the Perth store: low union membership and the ever-present three Ls. Feeling that all that was really needed was some knowledge and advocacy from the union, I put up my hand to be a workplace delegate. I knew in my heart that all the right components were there to achieve a fair workplace. We had a good employer and a responsible union and I thought that all we needed was for my fellow workmates to support their union and we would have an even playing field, which would then lead to more respect and fairer outcomes in our workplace.

Members can probably gather by now that I am a big fan of democracy and that totalitarianism is not acceptable to me in any form even if we have a benevolent dictator. Similarly, communism is not acceptable either. I believe people should be given help according to their need but people also need to be rewarded according to their effort.

It was around this time that I met a young Shop, Distributive and Allied Employees Association organiser who fomented in me this growing feeling that shop assistants needed a strong, conservative union to work on their behalf, and shop assistants needed to reciprocate that support if it was all to work. The organiser in question was a slightly younger version of Hon Kate Doust and I would like to thank her publicly for showing me, by example, the pure joy that comes from a lifetime of service to working men and women. Well, one thing led to another; I was introduced to Mark and Joe and I am pleased to say that they provided me with an opportunity to spend the next 27 years of my life trying to improve the circumstances of shop assistants. But again, I will come back to that in a moment.

My marriage to Gina gave me the opportunity to add to my tally of parents; in this case, my parents-in-law John and Nina Doneo. They have been a source of good advice and unfailing support for me ever since I had the audacity to marry their eldest daughter! They also were immigrants to this country and, interestingly, also sailed here on the *Fairstar* on a voyage, just before my own, travelling through the Suez Canal. My own family travelled the longer way around past the Cape of Good Hope, which I must say was a fair bit rougher. Similarly, the Doneos brought their three children, Gina, Fernanda and Raymond, to a new country to try to give them a better life. Theirs is a very interesting story from their origins in Egypt but they have also had their fair share of tragedies. In 1989 we lost Raymond to a fishing accident. To say he was the light of our lives would be an understatement. Indeed, I did not think John or Nina would make it through that sad time, but very slowly, with the support of the family, they survived. More recently, in 2013, we also lost John. I feel the importance of this day more keenly because of his passing, as this was always something he had encouraged me to do. I remember him as being generous to a fault but never wasteful. I remember him as a good family man, a good Labor man and a complete gentleman at all times, even after a glass or two of red wine. I miss him greatly.

My marriage to Gina has also given me the shining lights of my life, Jessica, Danielle and Lucy. It is with absolute pride that I say that they are the kindest, most generous and thoughtful young people that I have ever met. The fact that they actually do not mind spending time with the family has provided me with some of the happiest times of my life. There are, to date, three things in my life that give me meaning and overwhelming pride. I have spoken at length about the one I hold most dear, my family.

I would now like to talk about the second love of my life, which is my union, the SDA. As I have mentioned, in 1988, at the invitation of Mark Bishop and Joe Bullock and with the encouragement of Hon Kate Doust, I started working for the SDA. Earlier, I spoke about the importance of having a job. Working for the SDA has been so much more than a job to me. It has given me the means to make a home and raise a family but it has done more for me than that. It has provided me with dignity, purpose and the opportunity to fight for the same thing for thousands of SDA members who work in the retail and warehousing industry. Through my work at the SDA I have been lucky enough to have the opportunity of improving the lives of literally thousands of people,

whether that has been by negotiating a fair exchange for a worker's labour, by saving a member's job or even just by giving workers the courage to stand up for their rights.

The fact that I actually got paid to help people still blows me away. Although I saw this as reason enough to dedicate myself to the SDA, and the union movement in general, I had thought that all the great battles had already been fought and, in many cases, won: the living wage, initially through the Harvester judgement; the eight-hour day and now more commonly the 38-hour week; long service leave; annual leave; sick leave; equal pay; penalty rates; and minimum conditions of employment. The list is endless. How wrong that turned out to be. As I have mentioned, I started working for the SDA in 1988, and since 1996 it has been my privilege to work alongside now Senator Joe Bullock as his assistant secretary, steering the SDA in this state at a time of great challenge. One of the first campaigns that the SDA was involved in during the early part of my employment was the fight to win the first three per cent universal industry superannuation. This was first achieved at individual worksites and then later, more broadly, through the award system. That the union movement won this for all working people around Australia is a matter of tremendous pride and to think I was part of that will remain one of the highlights of my life. It is also to the credit of the Labor Party that it took up the baton so that all working people currently have an additional nine and a quarter per cent on their earnings going into a fund to give them security and dignity in their retirement. That there will be problems as the baby boomers hit retirement is no secret, but it took the Labor movement, both political and industrial, to do the initial heavy lifting to try to come to grips with these issues. It is obvious that a lot more work still needs to be done in this area.

Another successful campaign at the forefront of my mind was the fight against individual employment contracts, at both a state and federal level. Of course, this approach to the power balance between the employee and employer is anathema to me and my sense of fairness. I remember representing a site of over 300 workers in Osborne Park where the employer had introduced individual contracts. Indeed, I think they were the pinup boys in this state for this type of employment arrangement. The fact that every contract was exactly the same did not seem at all ironic to the employer at that time. It took nearly 24 months of advocacy on behalf of a majority of the employees to get rid of the contracts, but I am pleased to say that we are now on our fourth generation enterprise agreement with this company. Also, I think it would be safe to say that all parties now work together to try to achieve a healthy business that also provides good quality employment for its employees. Even more important to me is that everybody involved now feels that their voice is considered and respected. It seems a great pity to me that some employers think nothing of using the services of the Chamber of Commerce and Industry of Western Australia and other advocates, then decry the involvement of the employees' unions as some intervention by a third party. Thank goodness there are also many progressive employers out there who accept the fairness of employees working together with their union to improve their lot in life.

Even now, the Shop, Distributive and Allied Employees Association is in the midst of a campaign to achieve 100 per cent pay at the age of 18 for its members. Although I personally believe that there is a place for junior rates for young workers to gain entry into the workforce, to expect an 18-year-old adult who takes on all the responsibilities of an adult to get paid as little as 70 per cent of an adult wage is awful. I commend my union for taking up this cause. I understand that thanks to the SDA, some progress has already been made with 20-year-olds in the retail industry now being paid the full adult wage; previously, they were paid 90 per cent.

As a senior official of the SDA, I had the privilege of working with many great people who have dedicated their lives to the service of retail and warehouse workers. I wish I could name them all, but time may not permit. I will content myself with naming just a few who have most influenced me. I could not talk about great people of the SDA without first mentioning the late Jim Mar. Others who have also provided leadership and stability at the national level during my 27 years with the union include Joe de Bruyn, Don Farrell, Gerard Dwyer and Ian Blandthorn. I wish to thank them for the example they have been and the friendship they have provided over the years. I wish to thank Joe Bullock and all the other officials, delegates and the committee of management of the Western Australian branch who I worked with during my tenure for their support and hard work that made every day a great adventure. I would like to wish the new WA leadership team of Peter O'Keeffe and Ben Harris all the best for the future. If you enjoy your new roles half as much as I have, you will count your lives as well lived. I would also like to thank Stephen Price and the Australian Workers' Union, and Tim Dawson and the Transport Workers' Union of Australia for their support over the years. I hope we can all continue to work as closely as we have in the past on behalf of working people.

It was when fighting the big union campaigns that I realised that working people needed more than just a strong union; they needed a strong political voice as well. That would not be a revelation to everyone here, but it hit me like a bolt out of the blue. It was while working on the big campaigns that I first thought that I might be able to make an even bigger contribution to the lives of my members through a role in state Parliament.

I have spent a bit of time talking about the journey of my life. I think that is most important, because it is within that story where you can find the physical expressions of my beliefs, experiences and concerns. These things are what drove me to a lifetime of service that has ultimately led me to this place. I believe in simple fairness and

equal opportunity for all. This is not a simple slogan for me, it is a way of living, and although there are not always simple answers, we usually know in our hearts what the right thing to do is.

This then leads me to the third great part of my life—the Labor Party. With the history I had, the views I hold and the fact that I admired such luminaries as Bob Hawke, Kim Beazley and Paul Keating, it was only natural that I looked first to the Labor Party. I think all mainstream political parties have to be a broad church to attract the support required to form government, but I seemed to have found my natural home on the right side of left politics. I originally joined the Whitfords branch of the ALP in the late 1980s, before transferring to the Karratha branch when I did a five-year north west stint for the SDA. It was there that I first became actively involved in an election campaign. It was for a former Speaker of the Legislative Assembly, Hon Fred Riebeling, to get him elected in his original campaign to enter politics as the member for Ashburton in a by-election back in 1992. We fought another successful campaign while I was there in 1994. I have continued to work on every state and federal campaign in the northern suburbs since the family returned to Perth in 1995. I have also been an active ALP member at all levels of the party, including being the current president of the local Kingsway branch.

Of course branches of the ALP work together quite closely, and I would like to take the opportunity to thank all branches in North Metropolitan Region for being so supportive of me personally in becoming a member of the Legislative Council. If I may, though, I would like to single out just a couple for special mention. I want to thank John Fragomeni, Sanjoy Dhar and the members of the Marangaroo–Darch branch. I would like to thank Andrew Vitolins, Suliman Ali and the members of the Ballajura branch, and also Maurene Palmer and Jim Bensen from my own Kingsway branch.

I would like to thank my fellow parliamentarians, in here and the other place, for their gracious welcome and assistance since being sworn in. It truly is an honour to be amongst you, but in my heart I am still just a family man and a Labor man, but underpinning it all I am a shop assistant who learned fairly quickly that fairness could only be achieved by being proactive and not just accepting things as they are. In my case it all started by being part of the SDA. I am looking forward to the next phase of my life, but I realise that it can only be built upon my past experiences.

The way I have been raised is to always listen to an opposing point of view with an open mind, but to be forthright in putting my own case. I believe I have developed the skills required to make a valid contribution to this place. I have enjoyed my 27 years of working in the union movement and see this as a natural progression to represent an even broader electorate. My motivation for running for a position in Parliament has a very simple genesis that has been instilled in me my whole life; that is, a sense of fairness and the need to reach to give a helping hand to those who need it. I can think of no better place to do this than here in the Legislative Council of the best state, in the best country in the world. I hope I can justify all the support I have received by, again, following my dad's advice, working hard and looking at every piece of legislation that comes before me with a critical eye to make sure that it is straight, level, plumb, neat and tidy. But most of all, I hope everything I do in this place improves the lives of the people we represent.

There are probably plenty of other people I should be thanking right now, but I hope to do that in person over the next few weeks. But the last thankyou—the place of honour—I save for my family. To my wife, Gina, and to my girls, Jessica, Danielle and Lucy, I could not have made it without your support. To Dad, Kit, Mum, Hans and Nina, I would not be the person I am without your guidance. To Raymond and John, I know you are up there looking down and looking after me. To Theresa, Ron, Bev, Craig, Fred, Gary and the rest of my family, I love you all dearly.

Thank you, Madam Deputy President and my fellow parliamentarians, for being so generous with your time.

[Applause.]

Sitting suspended from 5.48 to 7.30 pm

HON KATE DOUST (South Metropolitan — Deputy Leader of the Opposition) [7.30 pm]: I look forward to continuing my remarks on the Loan Bill 2015, but before I do I want to take the opportunity to congratulate my colleague Hon Martin Pritchard on his inaugural speech in this place. I wish him well for his future here. I know he will make a solid contribution to the Legislative Council and to his electorate of North Metropolitan Region. I listened very carefully to his speech and thought back to the time when I first met him, which was on a picket line when I was picketing Myer at Karrinyup. Hon Martin Pritchard at that time worked at Aherns and I remember him coming up to me and asking what we were doing; that was the start of our conversation. When our delegate at Aherns left to become an organiser, Hon Martin Pritchard stepped up as my delegate in that store, and it was the start of a very good working relationship. He ultimately came on board to work at the union and in fact I think I trained him as an organiser. I am very pleased to have been supportive of him at the beginning, and

I look forward to giving him any assistance and support he needs in his journey in this place also. I just wanted to talk about our shared work time during that period.

Let us go back and talk about this loan bill and why we have to deal with it. We have to deal with it because this government has failed in its duty to the electorate in terms of how it manages its finances. The Loan Bill 2015 will allow the government to borrow an additional \$8 billion, bringing the government's borrowings to a total of \$21 billion over its seven years in government. That will certainly exacerbate state debt and we have to ask ourselves who will benefit from this. Obviously the government will, because it will enable it to pay its bills. Who will have to pay for that in the future? Our constituents, their children and their grandchildren. This is an ongoing debt and it will be this government's legacy to this state. Its legacy will not be the football stadium or Elizabeth Quay; it will be the ongoing debt that the future taxpayers of this state will have to pay off.

That is why this legislation is before the house. This government has not managed, over the last seven years, to rein in its spending and has not managed to balance the books. Part of the reason for that is, I suppose, the merry-go-round we have seen of the ministers who have held the office of Treasurer; I think we have had seven Treasurers in seven years, and the Premier has held the position at least twice and possibly three times. It has been on rotation. The current Treasurer, Hon Mike Nahan, has held the position for, I think, only about 18 months; it might be a little bit longer. We can see that the government obviously has problems with ministers holding on to that role and providing some sort of continuity. There have been overspending difficulties in some portfolios; I look in particular to the energy portfolio, where we have seen excessive spending without proper modelling or thought given to outcomes. We saw in that portfolio, over an extended time and partly because of the Premier's views on how things should be done, an ongoing debate over the management of Synergy and Verve and whether they should merge. We then saw a number of very expensive inquiries into that prospective merger, until the government finally carried out the merger. Until it did, there was a great deal of uncertainty and toing and froing, and the opposition could not get a definite answer from the government about what action it was going to take, if any. It certainly created a level of uncertainty and confusion. Having spoken to a significant number of players across the energy sector, it certainly drove away a significant number of potential investors in the market here in Western Australia.

We can look at that as an example—I am sure there will be many others as we go through the other portfolios; we can also talk about missed opportunities as well—of the government, through its own fault, getting itself to a point at which it cannot manage without seeking additional funds. It has had to actually go outside to borrow money, which will lead to ongoing debt in the future.

Before we were interrupted by Hon Martin Pritchard's inaugural speech, I was about to go through some of the media around this issue. I refer to an article that appeared in *The West Australian* titled "Government may be forced to borrow to pay bills". It reads —

The rapid slump in the State's finances has been highlighted by revelations the Barnett Government may be forced by the end of this financial year to rush through a rarely used Loan Bill that authorises it to borrow hundreds of millions of dollars to fund its operations.

Shadow treasurer Ben Wyatt said yesterday the prospect of the Bill, not used since 2003 to authorise a \$250 million increase in WAs debt was an indication that the Government's spending was unsustainable at a time when the State's revenues were collapsing because of the global economic slowdown.

This is actually an article from 2009, but the words could actually be picked up and placed in today's newspaper. The article continues —

But Mr Wyatt said the Loan Bill was often used in situations where the Budget was moving from an annual surplus into protracted deficit and cash was tight.

That is the case now. We had the budget laid out before us last Thursday and we are seeing an ever-increasing deficit as a result. In fact, it is the largest deficit that this state has ever had to deal with, so that statement still holds true. The article continues —

If introduced, it would signal that the State was plunging into the red faster than expected—possibly as early as next financial year.

Mr Wyatt went on to blame the —

... Liberal-Nationals election promises for exacerbating the situation.

If we move forward to the present day I am sure our shadow Treasurer, Mr Ben Wyatt, would still blame Liberal Party election promises, but he would say that we have arrived at where we are because the government's election promises were not fully funded or fully costed and because it has broken such a significant number of those promises because it knew, and the end of the day, it would not have the money to deliver them. That article was written by Peter Kerr for *The West Australian* on 15 April 2009. The words used

in that article are probably still quite relevant now. I must say that the person from the government side who was quoted in that article was Hon Barry House, who was the then parliamentary secretary to the Treasurer.

I turn now to another article that appeared in *The Australian* last Friday, 15 May, headed “Nahan warns of ‘worst outlook’”. The article basically talks about the problems that the government is facing, including a stagnating economy and rising unemployment; I think we have already referenced that in other debates today. Wages growth is soft and payroll tax growth has stalled. We have just dealt with a bill for which there were other issues around payroll tax. Because the government is so desperate, it has had to make significant changes in that area, and small business will bear the brunt of that. The article states —

Dr Nahan said the government had been anticipating headwinds as the wave of investment in new mining and energy projects came to an end, but the challenges have been greater than expected.

That would have to be an understatement, I think. The article also goes on to talk about state debt.

I know questions were raised in the other place last week, and neither the Premier nor the Treasurer could actually nominate the point at which state debt would peak. The Premier also could not stipulate exactly what the money the government is seeking to borrow would be expended on. If we go back to the detail of the 2009 second reading speech, which is almost a direct pick-up of a speech from the then Treasurer, Mr Troy Buswell, in 2012, I dare say that I will probably find almost identical wording.

There is not a lot of detail in the explanatory memorandum. The bill itself consists of only five clauses. In normal terms, we would say that it is a very neat and tidy piece of legislation and we should be able to bang it through very quickly, but we will not do so on this occasion. Although it is a small piece of legislation with a narrow set of clauses, it has massive implications for this state. We need to go through why it will impact upon the taxpayers of this state and why the government has got to the point that it thinks it is desperately necessary to seek this additional funding.

Again, we have seen criticism of the government about trying to rein in its spending. The government has not just tried to cut back on the public sector. We had that discussion last week and saw the changes to the workforce reform legislation for the public sector last year. There has been a significant number of voluntary redundancies. We are anticipating that as things get even tougher, the government will start to explore the option of involuntary redundancies. There have certainly been examples of that in the public health and agriculture sectors over the last few months, and also in the education sector with the education assistants. I dare say that as things tighten up, those areas will grow and in due course more and more people will be getting tapped to exit the public sector via involuntary redundancy. Last week in another speech I referred to a long-term public sector worker who was effectively being pushed out. Even though they were highly skilled and experienced in their work, they felt they had nowhere else to go.

The government sees these changes as a way of making a saving—it referred in the budget speech to those cuts to the public sector as a way to try to save dollars—but outsourcing, privatising and bringing in external companies such as Serco is a bit of a false saving. We have to break down the types of contracts that it has signed up to with these organisations and look at the dollars involved. We have already seen difficulties at Fiona Stanley Hospital, particularly relating to the quality of the work and the recent fiasco with the problems with the sterilisation unit. How will the government manage that? If they were public sector employees, they would be managed in a different way. The government will no longer have a say in a lot of these things anymore because it no longer has direct control over that workforce.

The Australian article also refers to the issues around those major projects. I want to spend a bit of time talking about some of the problems with these major projects. A number of questions were asked during question time about potential employment numbers to develop those projects. There is absolutely nothing wrong with building facilities for the community, be they stadiums or other types of entertainment venues, but it is about priorities. I have always thought that we should build those very expensive projects only when we can afford it. The fact that we are dealing with a third loan bill over seven years is a clear demonstration that the government really cannot afford those types of projects. Perhaps they have been built at the expense of more important necessary items that the community needs.

I know that the government has made an announcement about public housing. It is good that it has committed to expanding public housing. I understand that it will make some other changes relating not to Keystart but to some other part of its stock. I am sure that by the time I get to my speech on the budget, I will remember exactly what that is. We need to go further with that. I know, as do a number of members in this place, about the volume of people who come to our electorate offices absolutely desperate for housing. We are trying to help one young woman in particular. She has exhausted almost every avenue. I am about to write a letter to the Minister for Housing about this young person. She has a nine-month-old baby and she is sofa surfing between her

stepfather's house and a girlfriend's house. People cannot raise a family if they are sofa surfing and do not have a roof over their head. I will definitely write to the minister because we have exhausted every other opportunity so far. She is just one of many people we deal with. We can multiply that by a significant number of members in this chamber. So much more can be done. While I was listening to Hon Martin Pritchard's speech tonight, I heard him talk about the importance of a person having a family home so they can grow their family and build a life and a future. Unless we are able to provide assistance to those people who cannot do that for themselves at this point in their lives, it makes it so much harder for them to step up later and do those things for themselves. If there is some way of being innovative and creative about providing more opportunities for public housing or social housing in our community, I encourage the government to do it. I really fear that given the situation we are in now, in which people have to borrow money just to pay the bills, those changes are probably a lot further away than where we need to be.

Today reference was made to the growth in our population. During the earlier part of the 2000s and leading up to the last 12 to 18 months, we had significant population growth because of the mining boom. Something like 1 000 people a week were coming to Perth. We know the pressure that that put on all sorts of housing, be it public or private. The heat is going off that slightly now. I do not know whether the government really planned well enough to deal with that. Now that the heat is going off, I think it will get harder. I know that the Real Estate Institute of Western Australia said that as a result of the heat going off the mining sector, there is a significant increase in the availability of private housing, albeit rents are probably still quite high—probably too high for some people on low incomes to afford. In some cases, the idea of purchasing a property is even more difficult for a lot of young people now that the first home owner's grant of \$3 000 for established homes has been removed. It is about removing options. That was probably a harsh decision. I can understand that the government made that decision in looking to cut corners. I do not think it was a positive decision. I look forward to commenting on that further when I get to another speech later in the week.

As we go through the variety of media, the message is the same. We have seen headlines in *The West Australian* such as "Government may be forced to borrow to pay bills" in April. I have already spoken about *The Australian* article with Dr Nahan. Another article in *The Australian* on 28 April was headlined "Blue over Barnett's \$8bn loan". Another headline in *The West Australian* on 23 April was "Borrowings balloon as Barnett binges on baubles". Again, that article was about the Loan Bill.

Hon Sue Ellery: Good use of alliteration.

Hon KATE DOUST: It is very clever. Does the member think the government has people who organise that?

Hon Sue Ellery: I'm sure they do.

Hon KATE DOUST: I am sure it does as well.

Again, that article referred to the fact that the government cannot answer questions and it cannot say in what year debt will peak. The next article I have again appeared in *The West Australian* on 23 April, headlined "Budget woes force Libs to borrow again", referencing the fact that for the third time in seven years this government has had to go out with a begging can to borrow money, as opposed to during the Labor Party's period when it had only one loan bill for \$250 million.

I refer to an article by Jessica Strutt from the ABC on 22 April, which is headed "WA Government introduces bill to authorise \$8 billion for public spending" What is of interest in this article is that it makes reference to discussion in the Liberal Party meeting room that some members of Parliament had raised concern about the amount the bill authorised the government to borrow. I will be interested to know who those MPs were, because they are obviously going to remain silent throughout this debate, and I am not too sure if any of them made reference to their concerns in the other place either. I imagine this bill came as a shock to a number of people in the Liberal Party room when it was wheeled in.

Hon Peter Collier: It can't be accurate because what goes on in the party room is confidential.

Hon KATE DOUST: Somebody has obviously told Jessica Strutt; I am not making this article up. I imagine, given Jessica Strutt's former existence in the media unit of the Liberal government, that she has some pretty good contacts in the government's party rooms. We all know there are some people who just cannot help themselves when they are talking to a friendly journalist, so they go out and spill their guts. Obviously, that is what has happened here. I know that Jessica is a fantastic journalist who is very warm and accommodating, and I am sure she would have been a welcoming ear to some grumpy backbencher who did not appreciate the difficulties that this government was about to plunge Western Australian taxpayers into by seeking these additional dollars. Ms Strutt's article goes on to say —

Dr Nahan said the \$8 billion figure also included a margin for any unforeseen changes to the Government's cash position.

I think that is very interesting. I would like to know from the minister what that margin is. In the \$8 billion the government is seeking, what is that margin that Dr Nahan is referring to? How much of it is allocated as a buffer? I do not know whether the minister will be able to find that information, but that is certainly a question that I would be interested in having a response to. The article refers to a comment by shadow Treasurer, Ben Wyatt, who says —

“The fact that we are doing again the third loan bill of the Barnett Government shows despite a huge revenue surge through Mr Barnett’s premiership, he’s also gone and spent the next generation of Western Australian’s wealth to ensure that he could somehow leave some form of legacy.

“Ultimately the legacy of Mr Barnett will be that the next generation of Western Australians will be paying for this period of the Barnett Government.”

Members should keep in mind that this article was published towards the end of April; it goes on to reference the fact that WA’s AA+ rating was placed on a negative watch by Standard and Poor’s due to plunging iron ore prices. Not only has WA lost its AAA rating, it is now on a negative watch, and things can only get worse. This ratings agency, effectively, issued an ultimatum to government ahead of WA’s next state budget. Keeping in mind, again, this article was published in April, leading up to last Thursday’s budget, Standard and Poor’s said —

“Unless the State Government undertakes significant corrective measures in its June 2015-June 2016 budget, Western Australia could record average operating deficits of about 1.2 per cent over 2014 to 2018,” the agency warned in its report.

The article then goes on to say —

“This sustained level of deficits could make the state’s budgetary performance no longer consistent with a AA+ rating and would further increase its debt burden.

Again, we note that the government has picked up on this language about corrective measures, and I have referred to some of the corrective measure that we know the government has applied so far. I am sure there will be many others when we go through the detail of the budget and I note my colleague is searching avidly through the budget papers right now trying to pick up points of detail. I wish Hon Sue Ellery good luck.

Hon Sue Ellery: I’ve found thousands of them.

Hon KATE DOUST: Good! The corrective measures we have already had to deal with include the changes to payroll tax, which will make it tougher for small business, and the government’s focus on cutting back the workforce in the public sector to make savings. Those are two types of corrective measures that the government has been quite up-front about.

What else is the government doing in terms of corrective measures? As well as making those two types of changes, the government is going to sell the farm so that everything that can be lifted and shifted will be flogged off, basically. That is putting it very simply. The top of the wazza, of course, would be the sale of Fremantle port, and I will come back and talk about that in more detail. Obviously, the TAB is another sale that the government is looking, hopefully, to rake back in several billion dollars to try to reduce its debt and deficit. I refer to an article in *The Weekend West* on 16 May—so only last Saturday—headed “Giant Tatts makes swift TAB move.” Again, I am sure that Hon Col Holt would have read this article. I am pretty sure I remember when the member first became Minister for Racing and Gaming that he took a position—he can correct me—that he was opposed to the sale of the TAB.

Hon Col Holt: I will correct you.

Hon KATE DOUST: That is fine, because I will go on and mention what they say in the article. Looking for a good opportunity, Tatts have stepped up and declared its interest in purchasing the TAB. The article goes on to say —

It came as attitudes in the WA Nationals towards a sale appeared to soften, with Racing Minister Colin Holt yesterday declining to repeat his previous statement of opposition to the offloading of the tote.

The media is saying that the minister was opposed to it and it is now saying he has softened his position. I am not too sure on what point the minister will correct me on. He was either opposed to the sale at the beginning or he was not, because everyone else thinks the minister was opposed to it. The article goes on to quote one of WA’s leading trainers, Mr Michael Grant, who chairs the WA racing representative group, who said that the industry was craving information and engagement from the government. The article continues —

“There’s a lot of people’s livelihoods at stake here,” he said.

In a statement, Mr Holt said: “My primary focus is ensuring an open and consultative approach with the industry by Government to make sure all the relevant information is understood.”

That is a really great piece of spin! Hon Col Holt is really, really good at spin, so I give him a gold star for that.

Hon Sue Ellery interjected.

Hon KATE DOUST: He is learning really well, and he can run the lines really well but I do not know whether the industry is going to buy it and I do not know whether it is going to buy the minister’s flip-flop on it either.

Several members interjected.

Hon KATE DOUST: I can talk about flip-flops; there have been a couple of those. There was another big one this morning by the Minister for Transport—a pretty substantial flip-flop, which I will get to in a moment.

Several members interjected.

Hon KATE DOUST: The member thinks it might be a flip. I think he flopped again.

I applaud the minister for his spin, but it has fallen flat. I do not think anyone believes the minister. If the minister really wants to engage with these people, I suggest he goes out and talks with them and convinces them that there is some benefit for them. I do not know what benefit they think they will get from this.

I come back to the Fremantle port. The government has already talked about selling Fremantle port. I know that there has already been some negative comment, both from the local government in Fremantle and from others, about the impact upon the community and local businesses, but again this is trying to get the government out of its difficult financial position. That is why the government is not only selling off a range of these government-owned operations and a whole range of public buildings and other facilities, but also it has come back and is seeking this additional funding through the Loan Bill to try to get it through this tight corner.

I understand that last year there were a number of announcements about public assets that would be sold off, but only two of them have been sold off to date; the government has had some difficulty. I noticed a comment in an article in *The Australian Financial Review* on 15 May headed “Fremantle Port part of \$5b sell-off program” about the problems of the government in moving these items and selling them. The article states —

Of the 20 property sites flagged for sale, just two have been sold.

And I thought this was a beautiful line —

Mr Nahan blamed a lack of experience in his Treasury Department for delaying sales.

I have never been a minister—maybe that will or will not happen one day—but I would have thought that the buck stopped with the minister. I thought it was pretty shocking that he blamed his staff for not delivering the outcome that he wanted.

Coming back to selling off assets, it is not just the large buildings the government wants to sell off; we note that in the budget it has also offered the opportunity to buy local power poles. I am not too sure who will buy them—whether local governments will pick them up. I suppose there is a range of advantages for local governments purchasing them. I do not know what a power pole would cost, but I imagine it would be quite expensive. I suppose that local governments would have control over maintenance and other aspects of that power pole. I also saw a matter canvassed in a report by EnergySafety—I have not yet had the opportunity to read all of it—and I know it will make some recommendations later this year. However, today EnergySafety canvassed the idea of poles on private property being purchased by the owner of the property and replaced. In some cases they would replace timber poles with steel poles. There has always been talk about changing those sorts of things, but, again, it is one of those small things that the government is doing to try to save money by shifting the cost back onto the consumer. In that case my fear would be that it would be an added financial burden to a lot of those people living in parts of the city or in regional areas who may have to have private power poles. There are some quite interesting ways the government is trying to offload various aspects of its property—of its portfolios, if you like—to try to save money or to pull money back in to try to reduce its debt levels.

When things get particularly tough, this government throws out a distraction, a bit of a red herring, if you like. We see this time and again. Usually it is about trading hours or something else like that, just to get people excited.

Hon Sue Ellery: Or when a minister does something really stupid.

Hon KATE DOUST: That is right, or when one of its ministers does something extremely stupid. Fortunately for the government, there has not been a lot of that lately.

Hon Sue Ellery: Really?

Hon KATE DOUST: The government might have made some stupid decisions, but ministers have not behaved in a bad way for a while.

Several members interjected.

Hon KATE DOUST: I would probably defend Hon Helen Morton on this occasion! It is probably not the type of behaviour I was referring to; I do not think it is in her nature.

We saw another distraction on the weekend with the Prime Minister flying to the city to have a lovely press conference with the Premier announcing the new medical school at Midland. I have been quite supportive of that.

Hon Donna Faragher interjected.

Hon KATE DOUST: I think it is great—of course we should have a university out there. Of course we need more doctors, particularly in rural regions. Who wants to queue up for a week for a doctor?

Hon Helen Morton: So you do not support the AMA?

Hon KATE DOUST: I have not actually read all of its position.

What I was going to say —

Several members interjected.

The ACTING PRESIDENT (Hon Simon O'Brien): Order! Let us keep it down to a few less than a dozen at a time, because Hon Kate Doust is addressing the Loan Bill.

Hon KATE DOUST: I was saying that of course we want to have that facility and of course we need more doctors. However, we need to make sure that it is not just a lovely press statement and that it actually happens. There needs to be some sort of funding guarantee from the government that people will have proper training and they will have post-study training positions. It is a very extended learning process to become a doctor. I listened to a young doctor on the radio the other day who talked about problems that currently exist of there being not enough positions available for the number of doctors graduating. I thought that was a real concern. If that is how difficult things are now, what will it be like if we are pumping out potentially hundreds more doctors?

Hon Alyssa Hayden: There will be 110 by 2020.

Hon KATE DOUST: There will be 110, I thank the member. Will there be 110 post-study training positions and will there be 110 fully funded jobs for those doctors once they have finished? The federal government has committed \$20 million, which I am told is broken down into \$2 million components over a period, and we have to ask exactly what that will be for. The announcement of \$20 million sounds like a significant amount of money and we could think up a whole lot of things we would like to do with that money; on the other hand, \$20 million is nothing in the grand scheme of things when talking about setting up a new university or establishing a new school of study or creating teaching positions or other facilities for that type of education. It is a very, very small amount of money. That is a really good distraction, given that at a state level the government handed down a really dreadful budget on Thursday. The Feds' budget was not so hot either. This is a really nice piece of media just to distract people, but people need to go into the detail of it and ask how it will work.

Several members interjected.

The ACTING PRESIDENT: Order! I am trying to listen to Hon Kate Doust. There are unruly interjectors interrupting her.

Hon KATE DOUST: Thank you, Mr Acting President. They were very helpful interjections and I did not want to interrupt them!

The ACTING PRESIDENT: Order! All interjections are unruly and I am interrupting them!

Hon KATE DOUST: Of course you are, Mr Acting President!

The best part of the article that I referred to earlier, which sums things up when talking about distractions, states the following —

This is Mr Abbott's second trip to Perth in less than two weeks, underlining how important WA will be at next year's election. His Liberals hold 12 of 15 federal seats in WA, but polling shows the party is losing ground here.

Last week, Mr Abbott committed \$499 million towards WA road projects.

That is why I ask whether the announcement of a new medical school is just a distraction or whether it is legitimate. How will the government fund each of the different aspects of this new medical school? What guarantees are there for jobs for the future for these young people, if we are to encourage them to make such a

significant investment in their own lives to become trained doctors? Medicine is a vastly different area of study from a whole lot of others.

Hon Helen Morton interjected.

The ACTING PRESIDENT: Order! The honourable member is not responding to interjections, but addressing the Chair.

Hon KATE DOUST: I am indeed; thank you very much, Mr Acting President.

I have talked about the reasons this government has introduced this Loan Bill. The government has not managed its finances properly and, as well as seeking additional money, it is now selling off a whole range of government properties and organisations. I want to talk about the fact that we have been through this great period of economic boom thanks to the mining and resources sector and I want to reflect on the fact that there have been missed opportunities. Those of us who grew up in mining towns in this state, as the Leader of the House would know very well, grew up used to the idea of boom and bust. They know that the mining sector goes in cycles and that it can make a big difference to how the family manages its budgets, as it can to housing prices at that particular part of the cycle; that is how business is done. Of course, we had a sustained period of boom, an unprecedented period of continuous prosperity, and there was a lot of talk a few years ago that we might still have it in 20 or 30 years' time. The Premier talked about an extended period of sustainable prosperity. There have been difficulties with the drop in commodity prices and there has been a significant shutdown across the iron ore and gold sectors. A range of goldmines have shut down and there has been a shutdown in the nickel sector. I dare say that at some point as prices go up, new technology kicks in and new ways of doing work arise, those areas will reopen, regenerate and start again and new opportunities will arise. We know that is how things work in Western Australia and it probably works a bit like that in the north of Queensland as well. Our state has survived for so long on that type of cycle in our mining sector. The problem we have is that, because we are so focused on that area, it has blinded us to other opportunities. I know I have talked about this at length over the past few years. It has blinded us to opportunities to create sustainable, long-term jobs of a different nature. That is the opportunity we have missed. I come back and talk about those lost opportunities in the innovation and science sectors. I cannot find anything in the budget, and there is a question around whether the government is continuing to fund the Harry Perkins Institute for Medical Research. It is a fantastic research facility in Perth that only opened about a year ago. I know it has been receiving ongoing funding from the health budget. The last significant chunk it got was about \$9.6 million. I know that a week ago the institute did not know whether it would get any more money. A week or so before that, the Premier made statements about having a science plan, and the things the government was going to do. How can the government have a science plan without any substance or any concrete steps towards achieving the goals, and without any funding? It struck me as one of those distractions, if you like, that the Premier is wont to do. It was disappointing, because I think he is missing an opportunity. I have seen him get up at functions and talk about the value of science to the economy, the community and the education sector. He can talk the talk, but he has to actually walk the walk, and find the cash to do so.

Although there have been some elements of focus within the science area, a lot of it has been driven towards the mining and resources sector, or the gas and oil sector. I can understand why that normally would be the case, but that sector is backed up by significant corporations that have their own research and development support. Some of them have some fantastic laboratories and innovation areas. I am not sure why we would be focusing on that area. I do not understand why we are not looking towards new niche areas. Agriculture is one area where there is a significant focus, and the state certainly benefits from that, but there are many other opportunities that we could be picking up on. Last week, late one night, I was watching ABC iView, and I decided that I would watch a re-run of Bill Shorten's reply to the federal budget.

Hon Helen Morton: How embarrassing!

Hon KATE DOUST: It is not embarrassing.

Hon Helen Morton: You watched it twice!

Hon KATE DOUST: I did not watch it twice; I only watched it once. I watched it on iView, so I actually chose when to watch it. I could have watched *Poldark*, but I watched Bill Shorten instead.

Several members interjected.

Hon KATE DOUST: I was happy to listen to Bill Shorten. I will tell members why I was very pleased to listen to his speech. He has actually picked up on this issue of diversity in employment, and he talked in his speech about how we need to change, evolve our education system and identify the smart jobs of the future. He even talked about things like educating young children in computer code. I have talked about this at least once before in the house. In the United Kingdom now, every child who goes into primary school will be taught the language of code—the language of the new century, the language of computers—so that no matter what they do, they can

use that knowledge. They are not necessarily all going to use it all the time, but just as we might have learned Italian, French or Japanese when we went through school, this is about giving children another option, because every child now automatically homes in on technology; they have no fear of it. I do not know whether Hon Donna Faragher's children have yet adapted to iPads and iPhones.

Hon Donna Faragher: Not yet, she got her first assignment from kindy the other day.

Hon KATE DOUST: Hon Donna Faragher needs to have a word to the minister about that.

At some point soon, her children will be telling her how to correct things on her iPad or iPhone. They will be creating code; kids do that—they create games. My own son does that as a hobby. Shorten talked about the need to diversify and equip people to pick up on these new kinds of work, so that we can be competitive with other parts of the world. It is very interesting that he was homing in on those ideas. That is what we are lacking here. I am not saying that we have to teach every child code—it would be nice—but we are not talking about how we gear people up for the future so they can meet this new world. I look at how young people who my children associate with learn and discuss things. I must say that I am not terribly keen on the shorthand they use all the time—it is a new language—but it is a different generation, as things change and evolve all the time. Governments also need to be adaptable and identify where they can support that type of change. I do not think that we have done that here. It is disappointing that the Premier has not really picked up on those opportunities. If he had, it might have created a new line of work, and supported the innovation sector, which is a very exciting sector in Western Australia, albeit not at the forefront. Some very amazing people are working away on a range of projects, but they do not always get support. If the government has a science plan—the Premier took on that role deliberately, as the Minister for Science—maybe Hon Donna Faragher, his parliamentary secretary, might share with us at some time during this debate what the science plan is, because I would certainly be interested to know.

Hon Donna Faragher: Have you received a copy of our science plan? I would be happy to provide you with a copy.

Hon KATE DOUST: I did see the science statement. It might look good on paper, but how real is it, and where are the dollars? I had a quick look at it, and I could not find the dollars. The only money that I could find allocated in the state budget is for the Pawsey Supercomputing Centre, which is fantastic, but we know that that is predominantly a federally funded project, and there is a little bit of compulsion to continue supporting that project because it backs up the Square Kilometre Array. How dreadfully embarrassing would it be for the Western Australian government not to continue supporting the ancillary services that support the SKA, especially after so much money, time and effort was spent to get the project here? All I am saying is that the government should not have only a science plan—a lovely piece of paper with some dot points on—it should have a well thought-out plan and have the money there. The opportunities are there to create a new line of work, and a new range of opportunities, so that when that heat has come off the mining sector and those people pile back in looking for other work there are other opportunities. We can tap into our geologists, mathematicians, chemists and engineers looking for other work, and create opportunities for our children coming out of school.

I do not think it is the government's responsibility to provide handouts or to hold people's hands. It is about providing some sort of framework to lift and assist. We have industry development legislation in this state—I have probably got the name wrong—that has been under review ever since this government has been in place, and nothing has happened. I had a look at the Technology and Industry Advisory Council website today and found that it has not met since June 2014. Its science, technology, engineering and maths report has been finalised and tabled, but there has been no further action. This government could be doing lots of different things to advance the role of science, but we do not see that being rolled out. At the end of the day, it needs to make some financial commitment. However, we are now looking at the Loan Bill, and because the government is so desperate and is trying to cut corners and seek these additional borrowings, it is highly unlikely that it will step up and provide new opportunities and new alternatives in job creation for the future of this state.

I am very fortunate to have been invited to a function this Thursday night for an organisation called Proteomics International Laboratories Ltd. I have referred to this organisation before. It is a Western Australian-based company that does a lot of very good scientific research. It extracts scorpion venom in the hope of developing some sort of cancer vaccine. It has really exciting projects and has just listed on the stock exchange. It has taken a lot of hard work to get there, and hopefully that will open up other funding opportunities, because it certainly has not had any other support. One of the things that could have helped this company is if the government had introduced its bio-prospecting bill. That bill has been drafted and has probably been sitting on the Minister for Commerce's table for a period. It is something that I have asked questions about time after time. It would have assisted a company such as this, because currently, if this researcher wants to obtain his research material—that is, the scorpions—he has to buy them through the Northern Territory, even if they are grown in Western Australia, because he cannot get a licence in Western Australia to purchase them. If that legislation were in place in this state, it would make it much easier to obtain the raw material that people need for a range of research.

I understand that Queensland has this type of legislation in place, as does the Northern Territory. It would also provide an opportunity for the state to perhaps extract some income via licences that would be established under that legislation, so the government is missing an opportunity to draw in some cash. I do not know how much it would make from it, but it would be an opportunity. It would also provide an opportunity for people working in regional areas who might want to get involved in the business of harvesting whatever flora and fauna are required for research and selling that product to the researchers, but they cannot do those sorts of things at this time because we do not have in place the legislation that would enable that to happen and enable these researchers to access the raw materials within their own state. I know that Professor Barry Marshall is a big supporter of this legislation and is extremely frustrated that we do not have it in place, as I imagine the current state Chief Scientist, Professor Peter Klinken, would be. I know that the former Chief Scientist, Lyn Beazley, was also a big supporter of this legislation, and I know from discussions with her in the past that she was extremely frustrated that the government could not bring in this bill. If the government brought in this legislation, we would support it, because we want these opportunities to become real for these researchers and we want the state to have the opportunity to reap the benefit and also become more competitive in the scientific arena of research. There are missed opportunities in that area.

There are also missed opportunities in the area of information and communications technology. Again, this is a matter that I have talked about frequently. I know that the government has just made an announcement and set up a new office for a commissioner of information technology. I think Minister Marmion has responsibility for that office. Again, it is not about setting up a strategy to support the ICT sector, to encourage opportunities or to enable new businesses to arise; it is all about procurement and savings and how the government can cut back on its expenditure in the ICT arena. I do not blame it for that. How it manages its ICT could be done in a much smarter way. It will have some interesting challenges in breaking down some of those silos in the respective government departments, because I am still hearing interesting stories about excessive contracts for IT across different agencies. Although we can applaud the government for trying to manage those processes better, it has missed the boat; it has missed the opportunity to support the creation of new jobs and new types of work in the state. Again, this comes back to the other opportunities that we are providing for young people in this state. Because ICT is such a growth area around the world—again, it comes back to the fact that young people use it all the time in every aspect of their life—why are we not looking at how we can encourage them into that type of work? We only have to look to Germany, which has established an ICT apprenticeship. I understand that last year about 60 000 people were locked into those types of apprenticeships, because that is the changing nature of work. Everything in those places is essentially done online. People do not necessarily use traditional forms of communication in their workplace. We only have to look around this place to see how many people are using technology in their work. I appreciate that maybe Hon Helen Morton does not.

Hon Helen Morton: I have to keep signing some letters.

Hon KATE DOUST: I appreciate that there are still some traditional forms that ministers have to sign, but I am sure that she uses technology for other aspects of her work.

I think there are opportunities that the government has not focused on and has not been able to deliver the dollars for. It has not looked at how it can create new types of employment opportunities and new methods of managing our competitiveness with other states and countries.

There are some real concerns about where we are going. I thought that the government would have had a plan for what it would do after a period of great economic prosperity when people did very well. Members on this side of the house have canvassed on numerous occasions issues about how the boom could have been managed better, the government not picking up other opportunities and sometimes the confusion it has created in the marketplace, and not just in the area of energy. I think of the area of trade and the fiasco a year ago with the potential closure of the trade office in Jakarta, which created a bit of consternation. I do not think this government has sent out very clear messages about where it is heading, not just about its grand vision, but about how it is going to roll it out and deliver it for the community and back it up with dollars, because whenever its get to that point, the dollars are not there. The visuals are there, but not the dollars. Sometimes we get the visuals, which cost a lot of dollars to tell us about the vision that is not really there. That is the sort of thing we are asking questions about at the moment.

I want to talk about another concern I have, and it was picked up in the questions today about job opportunities on those major projects. I want to refer to the subcontractor issue in 2012. My great fear is that we are seeing a repeat of that type of issue. Although allegedly thousands of jobs are being created, based on the information I have received over the last few months, my real concern is that not everyone on those jobs will be paid. A number of examples have been provided of contractors and subcontractors not being paid and the flow-on effect is that their employees are not paid. In some cases they have had to queue up as creditors and in other cases they have been told that that is just tough luck. I am aware of some contractors who have had to sell their house and close down aspects of their business, and in one case they have closed their business entirely because

they could not continue to function. I did cite on another occasion the problems for the former footballer Phil Matera, who has lost his business as a result of contracts at Elizabeth Quay not being paid. I am also aware of a range of problems at Perth Children's Hospital because the moneys have not flowed from the head contractor all the way down the line. I think I gave examples in another debate about a range of groups that were still owed significant amounts of money.

These matters have been raised with the relevant minister, who by chance happens to be the current Treasurer. At the end of the 2012 matter the government put in place on a trial basis a banking project that would have ensured that an amount of money for the project would have been isolated so that as they went through the various progress payments, the subcontractors would have been guaranteed payment. That pilot was run in regional areas; I think it was run for three to four separate construction projects, and for relatively small amounts of money—say, \$3 million to \$4 million or thereabouts. The government has not rolled out that type of support into the general construction arena in the public sector. I am not sure why, but I will ask questions about where that is at. What has been most disappointing is that although the government picked up on 14 of the recommendations of the report by Mr David Eaton, the Small Business Commissioner, for Building Management and Works, when Treasurer Nahan moved from having oversight of that area to Treasury, he peeled away a number of the special projects that would normally have been under the umbrella of Building Management and Works. He peeled away several projects, and amongst them were Perth Stadium, Elizabeth Quay, Perth Children's Hospital and a number of other areas. These are the areas in which we are now experiencing problems similar to the problems in 2012. When we ask BMW whether it talked to the special projects unit in Treasury about the recommendations and the banking project, it says no. When we ask questions of the responsible minister, Mr Nahan, about whether Treasury has picked up on this particular project or what it is going to do to ensure that people working on these projects will actually get paid, we get a very different response from what he had under BMW. In fact, it is a not-my-problem response. We have not been able to get anywhere when dealing with the minister to get assistance for those various contractors who are losing substantial amounts of money. In fact, I am aware of one who has recently had to shut down his business and has already lost his home. It is disappointing that whilst the government expresses great pride in these monuments to the future—legacies to itself—at the end of the day those legacies will essentially have feet of clay, because a lot of people have been burnt in the process and they have not received appropriate recompense for the work they have done. I do not understand why the government is not doing everything it possibly can for those working on government projects to ensure that that group of Western Australian workers receive their appropriate entitlements. I do not know what it will take to get the minister responsible to take some responsibility to ensure that those people get paid, because if they lose their homes, jobs and businesses, and they cannot afford to pay their employees, at the end of the day it will fall back on the Western Australian taxpayer to pick up the tab to provide further assistance to those people. Would people not think, when we raise these concerns and questions, that we are not making it up? These are legitimate cases. Would people not think that the minister responsible would say that this might be worth looking at and that maybe he should ask questions rather than fobbing us off and trying to pretend it is not happening?

It is very disappointing. We will continue to pursue these issues. Across the state there are about 30 000 subcontractors who pick up work in these areas. Their feedback to me is why bother putting in a tender for a government project these days when there is no guarantee that they will get paid for doing the work or supplying the product. There is real concern here. The Civil Contractors Federation is concerned about these matters and a number of other organisations that I have dealt with are also concerned. It is a real problem that, for whatever reason, the government turns a blind eye. At the end of the day this particular legislation, the Loan Bill, shows the desperation of the government. It is at a point where it needs to borrow a further \$8 billion. When I say it quickly, it does not sound so bad.

I am not going to talk about other aspects that the government has missed out on. It could have explored great opportunities in cyber security, but I am sure I will get a chance to talk about that when I make a different speech later in the week.

Hon Simon O'Brien: It'll probably be much the same.

Hon KATE DOUST: No, I will surprise Hon Simon O'Brien. I plan on giving quite a different speech on the budget.

Hon Simon O'Brien: You've got another one!

Hon KATE DOUST: I have another one, yes.

Hon Simon O'Brien: I look forward to it.

Hon KATE DOUST: That is good. I hope so. I have another speech. In fact, when I make my other speech, I flag ahead of time that I will talk about freight rail and the problems it has faced in recent weeks. I will come back to talk about the Minister for Transport and the flip-flop we heard today. The Minister for Transport has a

history in this area. Only a few weeks ago he went out and proudly announced that he was going to install \$600 000 worth of flashing signs on the freeway, but by the end of the day, down came the signs. I do not know what can be done with big flashing signs once they cannot be used on a freeway. Then today he announced that he is rethinking what will happen to those 77 homes. His department sent letters to families saying that the government might resume their properties so that the government could build a tollway. I read today that the minister came out and said, "Look, three weeks ago we were thinking about other options." Obviously that was not communicated to his department, because I think letters were sent to people only a week ago, saying that they were going to have to move because the government was going to take their homes from them. Today there was a classic flip-flop. The minister has responded to pressure. I say well done to those people who have been affected by that notice from the government, because their campaign, which I am sure has not ended, has had some impact.

Hon Sue Ellery: No, because you cannot believe anything he says.

Hon KATE DOUST: That is true. In fact, they have said that they do not trust him, that they do not believe what he has had to say. The proof in the future will be whether or not the bulldozers get rolled in and those houses go down. I will talk about that in more detail when I get to make that other speech.

At the end of the day, my colleagues, if they choose to take the opportunity, will also talk about the difficulties that this government will be imposing on generations to come, not just with their poor fiscal management through the budget papers, but by the fact that through the borrowings it has made in 2009, 2012 and now 2015, to the tune of \$21 billion, it will add to that ever-growing debt and to that ever-growing burden that our children and grandchildren will have to pay back in the future. I do not think that is something that a government should be proud of, and I think it needs to work harder and smarter on methods to reduce its debt and deficit. I do not think cutting public service jobs or flogging off the silverware or their properties is necessarily the answer. As my 17-year-old son, who is learning accounting at school, said to me the other day, "Mum, my teacher says if you sell off public land, that's a real mistake." I said, "Yes, you would think that, wouldn't you, because once it goes, it goes and there is no other option?" What happens the next time the government finds itself in a big black hole and there is nothing left to sell? That is the challenge for this government: to think harder and think smarter about how to manage these things. A lot of the ministers of this government need to develop some integrity about how they sell these matters to the community. This has been a big lesson for the Western Australian public. It cannot trust the government. This government has been dishonest with them from the start. It has not delivered on its commitments and we now know that the myth about Liberal governments being good financial managers is simply a lie.

HON SAMANTHA ROWE (East Metropolitan) [8.39 pm]: I also rise to make a contribution to debate on the Loan Bill 2015. I would like, if I may, to begin by congratulating Hon Martin Pritchard on his inaugural speech tonight. Welcome to the team! I would also like to thank Hon Kate Doust for her very extensive contribution to this debate.

There are a number of issues I would like to canvass in relation to the Loan Bill 2015. Some of the issues I want to explore are about the slowdown in the mining industry and the resources sector, the falling commodity prices and, of course, the flow-on impacts that these issues have had on the state, including businesses, individuals and families. I also want to have a look at the state finances in terms of how we came to lose our AAA credit rating, where that sits now and some of the conversations that are being held between economists about even seeing our AA credit rating also at risk. There are also the delays we have seen in infrastructure projects that have been promised and the government's broken promises, the spending spree that we have seen over the last couple years and, of course, the effect that sees the government now wanting to sell off state assets.

This is the third loan bill in the last six or seven years since the government has been in power and we are faced with the decision of passing an \$8 billion loan. That is, in effect, a direct result of the government's inability to rein in its spending and effectively respond to the changing economic conditions we have seen in Western Australia. Each of the loan bills that this government has presented since coming to power in 2008 have been of significant value. In 2009, the government borrowed \$8.3 billion; in 2012, a further \$5 billion; and now, of course, in 2015 the government wants to borrow another \$8 billion.

In the eight years before this government took office, only one loan bill came before Parliament; since then, there have been three loan bills in seven years. That clearly demonstrates that the Barnett government actually cannot manage the state's finances in the way that the public expects. The Loan Bill 2015 will end up saddling future generations of Western Australians with serious debt. Future Western Australians are going to have to deal with the repercussions of an irresponsible government that has continued on a reckless spending spree, despite the changing landscape of the state's economy. It is also troubling to note that the Treasurer has been unable to provide any sort of guarantee that there will not be another loan bill put through Parliament during this term of government before the 2017 state election. That makes us think that maybe the government is expecting

things to get worse and for the situation to deteriorate, and that is a really serious issue for the public and us to be faced with.

An \$8 billion sum is no small amount of money. Some would assume that that amount of money would be required for some pretty major infrastructure projects or that maybe it would be invested in our schools and hospitals. This \$8 billion loan, which is going to be passed, is simply for the everyday running of government business; it is not being set aside for investment in schools and hospitals.

Hon Alyssa Hayden interjected.

Hon SAMANTHA ROWE: That is not what the government is saying. It is saying that this \$8 billion is for the day-to-day expenses of government. Essentially, the government is borrowing \$8 billion simply to run the day-to-day expenses of government. In this day and age, I think that is an incredible situation for a government to find itself in. It should be noted that Premier Barnett is borrowing \$8 billion despite record revenue flows. The state government's revenue in this year's budget was \$27 billion compared with \$19 billion in the year the government first came to power. That is a 40 per cent increase in revenue. That is a huge amount of revenue for a government to receive, and the fact that the government —

Several members interjected.

The ACTING PRESIDENT (Hon Amber-Jade Sanderson): Order, members! Hon Samantha Rowe has the call.

Hon SAMANTHA ROWE: The fact that the Barnett government is asking to borrow \$8 billion, despite record revenue, is a clear indication that the government does not have a handle on the state's finances and the state's economy.

It is also troubling that the state government has a clear agenda of selling off the state's assets, and that is purely and simply to patch up a mismanaged budget. Of particular concern in the East Metropolitan Region and regional areas is the potential sale of the TAB, and what sort of impact that will have on the future of the WA racing industry. The Barnett Liberal government has —

Several members interjected.

The ACTING PRESIDENT: Order!

Hon SAMANTHA ROWE: The Barnett Liberal government has the wrong priorities; that is a common theme that we have spoken about time and again. Western Australians are going to be forced to cope with increased charges and increased fees, and this is particularly damaging and stressful to those who are the most vulnerable in our society—those who are already on fixed incomes. We have seen our training sector come under attack with cuts to school funding, increases in taxes, and essential services being privatised. These are all things that will have a very damaging effect on everyday Western Australians, whether individuals, families, seniors or people trying to run their own business. Despite all this, the Barnett government is pressing ahead with its pet projects like Elizabeth Quay or the new Perth Stadium.

Of course, we all recall the famous—or infamous, I should say—2013 —

Several members interjected.

The ACTING PRESIDENT: Order! I noted one member who sought the call at the appropriate time to make a contribution to debate on this bill. All members have the opportunity to do that at the appropriate time. Let us allow the member on her feet to make a contribution. She is not taking interjections.

Hon SAMANTHA ROWE: I just wanted to make a comment about the Liberal Party's infamous 2013 election slogan—the “fully funded, fully costed” slogan that was branded on pretty much all of its election material. What we now know to be the reality is starkly different. It was summed up really nicely by Gareth Parker in an article written on 9 May 2014, just after the government produced its 2014–15 budget. He stated —

The Budget is also the final confirmation, if it were needed, that the Liberals' “fully funded, fully costed” 2013 election plan was a fairytale. It's like the campaign never happened.

Our shadow Treasurer, Ben Wyatt, made a comment in the other place during debate on Tuesday, 5 May on the fully funded, fully costed slogan of the Liberal Party. He stated —

This is the “Those Election Promises Were Not Fully Funded and Fully Costed After All Loan Bill”.

It just goes to show that we cannot take what the Liberal Party is prepared to put on its election material at face value because a range of projects, whether they be infrastructure projects or promises that were made to the electorate, have turned out not to be fully funded or fully costed. The Premier has quite openly reneged on a number of promises that he made to the electorate during that state election campaign.

I would like to move to the slowing of the mining industry and the resource sector. The falling price of commodities has obviously had quite an impact on this state in a number of ways. One of the reasons the government is seeking this \$8 billion loan is that it did not adequately plan for the changing face of the mining industry and the resource sector. It is no secret that the industry was slowing down; we saw it coming for quite some time. It is not just members of Parliament, whether at a state or federal level, who have made comments on this; we have also seen comments from a number of economists. Even people from mining companies were talking about this for quite some time. Yet despite all the commentary, the government was not prepared and almost acted as if this mining boom would go on forever—that this great revenue that it had been seeing would continue for some time. The government has not taken the volatility of commodity prices into consideration. It has continued to spend money that it did not have as though the mining boom would continue forever. Signs of the mining industry slowing down have been obvious. We have seen a huge number of job losses in the industry and the sector. We have seen some suspension of activity in some of the mining sites and of course the falling price of metals. For example, this time last year the unemployment rate had risen to its highest level since December 2013. It took the number of unemployed Western Australians up to almost 85 000. That is a lot of people out of work. It was widely acknowledged. This downturn should not have come as a surprise to the government. There were large-scale redundancies. A huge volume of people in the mining industry are looking for work. I refer to an article from the SBS website dated 13 March last year entitled “WA miners flooded with job applications”. It states —

The companies behind Western Australia’s major resources projects are being flooded with job applications as the state’s unemployment rate continues to surge higher.

Unemployment in the resources-driven WA economy jumped from 5.2 per cent in January to 5.9 per cent in February, its highest level in a decade.

That equates to another 11,200 —

Quorum

Hon SUE ELLERY: Madam Acting President, I draw your attention to the state of the house.

Several members interjected.

The ACTING PRESIDENT (Hon Amber-Jade Sanderson): I am glad that we can all count. We have a quorum.

Debate Resumed

Hon SAMANTHA ROWE: The article continues —

That equates to another 11,200 West Australians —

Several members interjected.

The ACTING PRESIDENT: Members, Hon Samantha Rowe has the call.

Hon SAMANTHA ROWE: Thank you, Madam Acting President. As I was saying, the article continues —

That equates to another 11,200 West Australians looking for work in the month just ended, taking the number of unemployed to 84,300.

A recent downturn in mining investment has resulted in widespread job losses, with some major contracting companies such as Forge Group having to shut their doors.

After a decade-long period of low unemployment, Western Australia’s jobless rate has almost reached the national average of 6.0 per cent.

Just five months ago, WA’s unemployment rate was 4.2 per cent.

It has overtaken NSW and is more than two and a half times higher than the 2.3 per cent recorded in October 2008 at the height of the WA skills shortage.

That is quite a dramatic turnaround in labour market conditions. The article continues —

But Roy Hill chief executive Barry Fitzgerald this week said there had been a dramatic turnaround in the labour market in recent months, with more than 5500 people applying for jobs with Roy Hill or submitting expressions of interest since December 2013.

“We are seeing something like 600 people applying for one particular style of job,” Mr Fitzgerald said at an industry conference.

“It’s a mixed blessing. It’s probably good for us, but very unfortunate for those on the other side.”

That is a clear sign that obviously times are changing. This article is dated towards the start of last year. The Forge Group has since collapsed and 1 500 job losses followed as a result. The job losses have not slowed down

at all. Three thousand jobs were reported to have been lost in the current financial year alone. We have seen 300 job losses from Woodside Petroleum in March and more are expected to follow; 350 jobs from the Rio Tinto Argyle mine; 273 jobs from Mount Gibson Iron last year; and 200 jobs from gold miner Navigator Resources. This has a huge impact on Western Australians. It is felt by individuals, families and communities in not only the metropolitan area but also our regional hubs, where the mood has been very sombre with the economic downturn. People have many concerns around job security, which also impacts on investment and consumer confidence. People all around the state are struggling at the moment. Job security is a major issue for people to deal with in managing their household budgets. I refer to an interesting article in *The Sydney Morning Herald* on 18 April that highlights the human element around the impact of the downturn for Western Australians. It is a story about a mechanic, Neil Tennant, who told his story of what is happening to him with the downturn and losing his job. It is a typical story that can be heard across the state. The article is titled “Sun sets on the west’s iron ore boom years” and reads —

Mechanic Neil Tennant knows he’s been pretty lucky.

When he quit his job as a mechanic at a car dealership to work on bigger machines driving across the Pilbara’s iron-rich dirt five years ago, his pay packet doubled.

It kept swelling, allowing him to buy an investment property and begin doing up his dream home in ... the heart of the Margaret River wine region three hours south of Perth.

Tennant, 31, was cashed up and, like many others, living the dream. This week everything changed.

The crashing ore price cost him his job working for a contractor with Mount Gibson Iron, a small iron ore producer operating mines in far north Western Australia.

“The chances of getting the same job with another employer is going to be fairly difficult with so many people back out on the ‘meat market’,” he tells Fairfax Media.

He’s selling that investment property and sending off applications to other miners.

Aware of mass sackings across the industry, he’s not taking his chances. He has also applied for a job at Super Cheap Auto.

This is the human story behind the headlines as Pilbara miners slash costs and shed staff in a desperate bid to remain profitable as iron ore prices collapse.

The article also states that we cannot dismiss the pain about to be felt by Tennant and his wife, Cara-Leigh, whose teacher’s wage will have to stretch to cover the mortgage and living expenses.

The article goes on to say —

He feels luckier than some of his colleagues who are also finding themselves without a job. One, he says, just welcomed their second child and he was the sole income earner.

“We are going to be OK but I worry about some others,” Tennant says.

“We didn’t rack up the credit cards or go on lavish holidays. We’ve only got one car. We have a lot of big dreams with the house. That’s what’s really breaking our heart at the moment. We had dreams to have our own big castle. But really, I’ve been so blessed. It had to all come crashing down at some stage.”

I feel this would not be a lone story, and there would be many stories such as Neil’s at the moment with the mining downturn and the huge job losses that we are seeing in this state; unfortunately, it is a common story. With large-scale redundancies, many people across the state will have a bleak future.

The downturn in the mining industry has flow-on effects for those people who have become redundant in not only that industry, but also other services across the state, particularly the services industry. In Karratha, Mayor Peter Long stated —

“We are a resource town and WA really is a resource state, so when the resource industry pulls back we all suffer,” he said.

“It’s the services people as well, it’s not just government services but it’s the shops and the cafes and the bars.

There is no quick-fix solution to this problem on the horizon. The price of iron ore has continued its downward trend and has slumped down 60 per cent from \$US117 a tonne a year ago to \$US49.78 a tonne, and it is tipped to go even lower. Iron ore is not the only metal that is affected; there have been downward trends in other metals as well. An article in *The Australian Financial Review* on 18 April this year made some really good comments

about the changing economic landscape across WA. This is worth noting because we keep hearing from the government that it did not see the drop in the iron ore price coming and it asks what the Labor Party would have done. But this has been talked about by a number of commentators, economists and politicians, both federal and state, so it is not really fair for the government to say it is not to blame for this, when so many people, apparently, could see it coming.

The DEPUTY PRESIDENT: I take this opportunity to point out to members that there are a number of very audible private conversations in the chamber and Hansard may be finding it difficult to do their job.

Hon SAMANTHA ROWE: The article from *The Australian Financial Review* is dated 18 April of this year and is headed “WA’s big GST whinge all a bit rich as iron ore bust leaves governments exposed”. It reads —

The plunge has devastated Barnett’s bloated revenue expectations, wiping about \$3 billion from his budget. At the same time, there are few signs his government has cut the state’s cloth to fit its long-run realities, and stories have abounded at the lack of serious economic reform.

...

Writing in *The Australian Financial Review* this week, Deidre Willmott, chief executive of the Chamber of Commerce and Industry of Western Australia, argued the failure to prepare the state’s economic future “would be funny if it weren’t so serious”.

She warned that the slump in ore prices and declines in the share of GST have left its economy vulnerable. “The truth is that our black swans are really ostriches with their heads in the sand when it comes to reform,” she wrote.

They are pretty scathing comments about what this government has and has not done to protect the state in the changing landscape for our economy.

Westpac teamed up with the Chamber of Commerce and Industry of Western Australia and in December 2014 produced a Western Australia economic activity report. It provided some alarming insights into the direction that the economy was taking. It stated —

The Leading Index highlights an emerging turning point in the WA economy, as the transition continues from mining investment to production. While lower oil prices may provide a boost to spending in the short-run, persistently low levels of consumer and business confidence will likely weigh down the Index, and dampen the long awaited recovery in the non-mining sector.

Again, this commentary is nothing new. This has been spoken about for quite some time now. The state is probably set to see further economic challenges that have been forecast for the future. We need to be prepared and ready with a responsible plan for the state’s finances and cushioning for the fall in commodity prices. There needs to be a plan to protect Western Australians—individuals, families and those who are most vulnerable in our state—because those people, our constituents, will be left paying for this mismanagement. They will be left paying for this \$8 billion loan. We want the government to act for the future and not to blame others in this scenario. We heard some pretty strong language from the Premier in the GST debate. The Liberal Party signed up to the GST plan and I think that issue has been used by the government as a distraction for the fact that it has not been able to manage state debt and state finances, which has seen us face the loss of the AAA credit rating. We should not be in that situation right now. The Labor Gallop government won the AAA credit rating for this state and, of course, a decade later it was lost by the Liberal Party.

Several members interjected.

The DEPUTY PRESIDENT: Order, members!

Hon SAMANTHA ROWE: The state has a AA credit rating at the moment, but of course this has —

Hon Jim Chown: It is AA+.

Hon SAMANTHA ROWE: Not for long, apparently.

Several members interjected.

The DEPUTY PRESIDENT: Order, members!

Hon SAMANTHA ROWE: The AA+ credit rating, which Hon Jim Chown has pointed out, is also coming under threat basically because of the reckless actions of this government. The rating agency Standard and Poor’s has now put WA’s AA+ credit rating at a negative, which is hugely concerning.

Several members interjected.

The DEPUTY PRESIDENT: Members, this is not question time; it is not an opportunity to ask questions or to interject across the chamber.

Hon SAMANTHA ROWE: I know members opposite are getting upset and they should be, because they are responsible for this embarrassing state of finances. No-one else is; they are. They are all responsible for this.

Several members interjected.

Hon SAMANTHA ROWE: I look forward to their contribution to this debate, because if they can put a positive spin on this budget and the state's finances, I really look forward to hearing it. Please, stand up and make a contribution.

Hon Helen Morton: Sit down then.

Hon SAMANTHA ROWE: I will not sit down. I still have 13 minutes left and I want to use them because I have a whole lot of issues I would like to raise.

Several members interjected.

The DEPUTY PRESIDENT: Order, members. I know it is getting little late, but Hon Samantha Rowe has the call.

Hon SAMANTHA ROWE: I was talking about the AA+ credit rating and the fact that it is —

Hon Stephen Dawson: At risk.

Hon SAMANTHA ROWE: — at risk. I thank Hon Stephen Dawson. I want to refer to an article published in *The Australian* on 14 April this year entitled "WA credit rating at risk of downgrade: Standard and Poor's." It states —

The national stoush over Western Australia's bid to boost its dwindling share of the GST revenue pie has ramped up a notch after the state was put on notice for another potential credit downgrade due to its woeful revenue and budget outlook.

Standard & Poor's says Western Australia's long-term credit rating risks being downgraded as crashing iron ore revenues undermine the state's budget.

The ratings agency also says the WA government has "limited political will to make difficult decisions".

Standard & Poor's long-term credit rating for WA currently sits at "AA+", but today the financial services group said it had placed the state on CreditWatch "with negative implications" due to a weakening budget position.

"Slumping iron ore prices will considerably reduce the state's mining royalties, and without corrective actions by the state, we forecast that its operating position will sustain deficits for the foreseeable future," S & P said.

I think it is really important to highlight those issues of what the state's future looks like. With the budget that has recently been handed down and the economic outlook as it currently stands, we are not in a good position at the moment. We are not in a strong financial position and the government needs to take responsibility for that, because, as the Premier has said before, he promised to be fiscally responsible and that is not the case; that is not what has ended up happening.

I move to some of the delays we have seen and some of the promises this government has broken. They are a result of the government's inability to balance its budget. It does not have the funds it promised to have to be able to do all the projects it had set out to do. One of the delayed projects, of course, is the Forrestfield–Airport Link. It was promised to be delivered in 2018 and that commitment was made time and time again during the state election. Of course, it will not be delivered on time and there will be budget blowouts of huge amounts—something like a \$300 million blowout—and if we are lucky we will see it in 2020.

Hon Helen Morton: Do you think it's a good idea though?

Hon SAMANTHA ROWE: If we get it, but who knows whether we will with this government.

Infrastructure projects are hugely important in this state. Clearly, we have a huge traffic congestion problem. I think the Metronet plan —

Several members interjected.

The DEPUTY PRESIDENT: Order, members! Hon Samantha Rowe has the call.

Hon SAMANTHA ROWE: The Labor Party had an infrastructure plan and I think it was far superior to what the Liberal Party offered and is offering. Of course, there was the Metro Area Express light rail promise that the Liberal Party went to the election with, and even though it was stated as being fully funded, fully costed, we know it was not. We do not know whether it will ever come back on the agenda because the government does not have the money. The government promised to fund this light rail project that was going to cost X amount of dollars, but it did not have the money available and now who knows if we will ever see it. The project has been shelved.

Hon Michael Mischin interjected.

Hon SAMANTHA ROWE: Then the government should not have gone to the election promising it was fully funded and fully costed. That is misleading the public.

Hon Michael Mischin interjected.

The DEPUTY PRESIDENT: Order! The Attorney General will get an opportunity to make his contribution and we look forward to hearing it.

Hon SAMANTHA ROWE: I am not sure whether we look forward to hearing it, but he can certainly make a contribution, just like everybody else can.

Hon Michael Mischin: Nothing of what you have said is relevant to the Loan Bill.

Hon SAMANTHA ROWE: So the slowing down of the mining industry is not relevant? Is the loss of the AAA credit rating not relevant to why the government needs this \$8 billion Loan Bill?

Several members interjected.

The DEPUTY PRESIDENT: Order, members! I suggest Hon Samantha Rowe direct her comments through the Chair and then there might be fewer interjections.

Hon SAMANTHA ROWE: That is a good idea. Thank you, Madam Deputy President; that is very sound advice.

That was an extraordinary interjection by the Attorney General and I look forward to his contribution to the debate on the Loan Bill and his explanation about why we need an \$8 billion Loan Bill.

I believe that the slowing down of the mining industry and the state of the economy have a huge impact on the government's need for an \$8 billion Loan Bill. The fact that the Barnett government has lost the state's AAA credit rating is another reason for this \$8 billion Loan Bill. The government is on a huge spending spree, whether it be for Elizabeth Quay or the Burswood Stadium. It comes down to priorities—that is, what the government prioritises over what we would prioritise. We have seen the government flag a whole lot of asset sales, including the TAB, which could have huge consequences for the Western Australian racing industry. In my opinion, there has been a huge waste of the mining boom. The government has just wasted money. We have seen a huge amount of revenue flow into this state to be wasted by this government, so that it has had to bring in three loan bills in the past six or seven years. When we were in government for eight years, we introduced only one loan bill. It comes down to how we manage the state's finances and budget. Clearly, we were better economic managers.

Several members interjected.

The DEPUTY PRESIDENT: Order!

Hon SAMANTHA ROWE: Thank you, Madam Deputy President.

The government's legacy will be debt and deficit. The previous Labor government was a better economic manager, and the Labor Party will again be in the future. We have seen three loan bills and a huge deficit, and who has to pay for that? It is not the state government—it is our children and our children's children. The people of Western Australia are going to have to pay for this government's poor economic management. The present government will go down in history as the worst economic manager not just in this state, but I would say in the whole country.

Hon Michael Mischin: In the universe!

Hon SAMANTHA ROWE: I would not say the universe; I would not go that far, Attorney General. I would just say, in the country.

Several members interjected.

The DEPUTY PRESIDENT: Order! Constant interjections do not get recorded in *Hansard* so there is little point in continuing with them.

Hon SAMANTHA ROWE: Thank you, Madam Deputy President. The interjections have been entertaining.

The \$8 billion loan demonstrates that the government has blown the boom, and it is not just the opposition saying this; economists have said this across the country. It is about time the government started listening to these people, because we do not want to be in a situation where we are looking for another loan bill to be passed through this place before 2017.

Several members interjected.

The DEPUTY PRESIDENT: Order! We do not have much time left this evening. Let us see whether we can hear Hon Sally Talbot in silence.

HON SALLY TALBOT (South West) [9.23 pm]: I want to —

Hon Michael Mischin: Here we go!

Hon SALLY TALBOT: I am glad members opposite are looking forward to this. I have been looking forward to it for hours. And look, they have all come back in; that is fabulous. All their urgent parliamentary business is over, and they are all here ready for a bit of fun. That is fantastic.

I thought I might start my contribution on the Loan Bill 2015 with a bit of a quiz, because I think there is a bit of a knowledge deficit going on—a little bit of making it up as we go along—on the other side. How many members in this chamber were on the treasury bench when we lost the AAA credit rating?

Several members interjected.

Hon SALLY TALBOT: Oh look, nobody on this side!

Several members interjected.

The DEPUTY PRESIDENT: Order! I know that Hon Sally Talbot invited that interjection, but fewer interjections will help us get through the consideration of the Loan Bill a little faster, I think.

Hon SALLY TALBOT: Thank you, Madam Deputy President. I am not inviting any interjections; I am speaking solely to you. My comments are directed specifically and directly at you, Madam Deputy President.

How many members of this chamber have presided over a government that has brought in three loan bills in six and a half years? It is nobody on this side—fancy that! How many members in this chamber have been part of a government that has presided over a 900 per cent increase in debt? Nobody on this side did that. Those are the important facts we need to establish right at the beginning of this debate, which I gather is exactly where we are. I know that everybody on this side of the chamber wants to make an extensive contribution about this disgraceful act on the part of the government. I think I can even count the days since the budget on one hand.

Several members interjected.

The DEPUTY PRESIDENT: Order! Interjecting too frequently makes it very difficult for Hansard.

Hon Jim Chown: Madam Deputy President, can I raise a point of clarification?

Hon SALLY TALBOT: We do not have points of clarification.

Point of Order

Hon JIM CHOWN: Are we participating in this quiz or are we not?

The DEPUTY PRESIDENT: It is a rhetorical quiz, so just sit down and listen and I will do the answering.

Debate Resumed

Hon SALLY TALBOT: I can absolutely appreciate that Hon Jim Chown is probably very confused by those questions, because they were terribly complicated. He actually does not know the answers; he is waiting for you to tell them, Madam Deputy President. Perhaps he could have a word with you, maybe behind the Chair, when we have finished, and you can furnish him with the answers, because he is obviously deeply confused. I am sorry to end such a fabulous day on a note that is confusing Hon Jim Chown. I am sure a lot of people over here can help him. As I said, we are clearly at the beginning of this debate because I know that everybody on this side of the house wants to make an extensive contribution about this disgraceful couple of pages of legislation. I gather, from what has been happening on the other side of the house, that everybody on that side also wants to make a contribution. I am very pleased about this, because I am going to add to what we have heard so far from Hon Kate Doust and Hon Samantha Rowe. When the Deputy President called for the next speaker, nobody from

the other side jumped up, so here I am on my feet in the absence of a speaker from the government. I will add to the long list of concerns that have already been enumerated by Hon Kate Doust and Hon Samantha Rowe.

Hon Michael Mischin: You have been speaking for five minutes and have said nothing so far.

Hon SALLY TALBOT: For the Attorney General to waltz back into this place late in the evening and accuse Hon Samantha Rowe of having been instructed to filibuster, when she had spoken for a solid 45 minutes about the effect of this bill on her constituents in the East Metropolitan Region, is just outrageous. I hope that Hon Samantha Rowe will furnish the Attorney General with a copy of all her comments, and I hope she will also pass on to him the appreciation of her electors for having raised these issues that are of immense concern to them.

Here is another quiz, Madam Deputy President, for you of course, not for anybody else, and I rather suspect that you might know the answer to this. Question number four —

Hon Jim Chown interjected.

Hon SALLY TALBOT: Bear with me, Hon Jim Chown. I will give you a cheat sheet. I have the answers written down. Hon Jim Chown reminds me of when I used to teach introduction to philosophy at Murdoch University. We structured the whole course around a series of questions, such as does God exist, and do only people matter. Invariably, every year, a couple of students would knock on my door after the first lecture and say, “We’re really sorry; we can’t make it to all the lectures. Could you just give us the answers and then we’ll provide the working ourselves?” That is what Hon Jim Chown reminds me of. He has got really nervous because he thinks it is a test and he does not know the answers because he has not done the homework. Relax, Hon Jim Chown. I have only 15 minutes left tonight, so if he pays attention tonight, we might repeat them tomorrow, but I will give him the answer sheet at the end. I am happy to do that.

The fourth question is: who said—“he” is the clue—“Every increase in debt pushed up interest repayments, which meant less money for schools, road construction and maintenance, hospitals and other important infrastructure”?

Hon Peter Collier: Pick me!

Several members interjected.

Hon Peter Collier: I would, but I’m not allowed to interject.

Hon SALLY TALBOT: As I said, Madam Deputy President, I am not taking interjections, but I might make an exception. Who was it, Hon Peter Collier?

Hon Peter Collier: I’m not going to go against the ruling of the Deputy President.

Hon SALLY TALBOT: He does not know the answer. There is always one kid in the class who puts his hand up before the teacher has finished asking the question and they do not actually know the answer. Surprise, surprise—I know it will not be a surprise to you, Madam Deputy President—but that was the Premier, Hon Colin Barnett, in a media statement on 22 March 2003. I will read it again because it is quite interesting. I want Hon Peter Collier to listen to this and remember that these are the words of his Premier 12 years ago. Mr Barnett said, “Every increase in debt pushed up interest repayments, which meant less money for schools, road construction and maintenance, hospitals and other important infrastructure.” That was the Premier, who took into the other place days before the 2015–16 budget a bill that will enable him to borrow an extra \$8 billion.

Here is another question. This is my last one. I guess I have blown my cover on the answer because I think everyone will guess immediately who said this. This is another quote: “We believe it is in the long-term interests of this state to maintain broadly a balanced or surplus budget even through difficult times. That will make sure that future generations of Western Australia won’t be burdened with unnecessary debt which has to be repaid.” Madam Deputy President, you know, of course, that again it was the Premier of Western Australia, Hon Colin Barnett, who said that sometime around the end of 2008.

What do we have here? We have got to the stage now in which so little of what any member of this government says can be believed that language itself has stopped having any meaning. There is a philosophical paradox called the liar’s paradox, which is when there are two sentences but both cannot be true. This sentence is false; the previous sentence is true—or something like that. It is not an immensely technical thing. There are some immensely technical reasonings to arguments around those two simple sentences, but that is the problem we have with this government. Every time it says something, the whole community of Western Australia has to do a double take. It is not just because of the FFFC lie, and we all know what that is.

Hon Stephen Dawson: What’s that again?

Hon SALLY TALBOT: I did not have a sixth question, but I thank Hon Stephen Dawson for furnishing me with the opportunity of reminding honourable members that the FFFC lie is the fully funded, fully costed lie. It is not just that; it is statements such as the two that I have just read into the record in which the Premier says one thing and, a few years later, argues not just a position that differs from the original position, but a position that is 180 degrees in contradiction of that original position.

I want to congratulate, as other honourable members have done, Hon Martin Pritchard for his inaugural speech. It was a very fine speech. It is always very refreshing for all of us to hear somebody talk about fairness and equity. It is only ever people on this side of the chamber who do it. I really enjoyed the contribution Hon Martin Pritchard made tonight, but the bad news is that his dad would not be very happy with what has been going on in this chamber. I checked with him afterwards to get the terms right. His dad taught him straight, level, plumb, neat and tidy, and he has picked that up as a bit of a mantra. I think that his dad would agree that this bill, which is printed on one piece of A3 paper, with a blank page as the second page, is neat and tidy. We have ticked the neat and tidy box on this, but is it straight, level and plumb? I cannot imagine anything that is more shonky. I cannot imagine a first-year bricklaying apprentice building something that looked like this bill in terms of straight, level and plumb. It is so far from that that I do not think that anybody with the kind of experience of Hon Martin Pritchard's father would even recognise it as a wall. It would look like a pile of bricks. It would look like something that had not even got anywhere near being a wall. That is what this bill looks like. I am sorry, but I think that Hon Martin Pritchard's father would have real difficulty in this place, and he will see what I mean during the next few weeks. It will not change until the second Saturday in March 2017 when this lot gets thrown out and we, the party of responsible economic and fiscal management, are back on the treasury bench. That is when it will change. That is when Hon Martin Pritchard will be able to stand in this place and say that it is not just neat and tidy, but also straight, level and plumb.

As other honourable members have noted, this is the third loan bill that we have considered in six and a half years. In 2009 the government came to Parliament and asked for \$8.3 billion, in 2012 it asked for an extra \$5 billion, and now it is asking for an extra \$8 billion. That is \$21.3 billion over six and a half years. As I asked in one of my quiz questions, which government presided over a 900 per cent increase in state debt? It is the Liberal–National government. During those six and a half years, state debt has gone from \$3.6 billion when Labor was last in office to a projected \$36 billion by 2017–18. It is really hard to find a series of terms that summarises what this government is doing and an adequate description of the way that this government manages its fiscal strategy, its financial strategy and its economic strategy. It is a completely dysfunctional government, which is borne out by the fact that last week, I think, in this place when we were talking about the Taxation Legislation Amendment Bill, Hon Helen Morton interjected several times and said that estimates are only estimates and that the figures for the out years in those other three columns in the budget do not mean anything; they do not tell us anything because they are only estimates. They are only estimates! This is the problem—think of a number, any number, and put it in the out years. That is how this mob works. Think of a number, any number—they probably sit there rolling dice. They probably read the tea leaves in the bottom of the cup.

Hon Kate Doust: Hon Ljiljanna Ravlich said coffee grains works so much better.

Hon SALLY TALBOT: Yes, and we know that Miss Maud uses coffee beans. That is always a pretty accurate predictor. I reckon it has got to be jelly beans or M&Ms or some kind of random process for generating numbers, but then fill out those three columns of the out years. The truth is that this government does not live from financial year to financial year. It does not even live half a year to half a year. It is not as though the *Government Mid-year Financial Projections Statement* that comes out in December is the document that charts the path for the next six months. It does not even live month to month. It is practically living from day to day because that is how often things are changing. That is how fluid and random all of this stuff is. Thought bubbles do not do justice to the chaos and desperation that characterises this government. Honestly, I think that government by thought bubble would be relatively stable compared with what we are getting here. There is complete disregard for any sort of fiscal management, for economic sincerity and for the entire budget process. We have an incoherent financial strategy that characterises a desperate dysfunctional government.

Of course, the current Treasurer is the third poor soul who has been given the job of trying to rein in the Premier's spending spree.

Hon Kate Doust: Seventh.

Hon SALLY TALBOT: That is interesting. Hon Kate Doust is right, because if we take the sequence, we have had a lot more Treasurers than that. I think that Hon Christian Porter could not get across the Nullarbor fast enough. Fancy a true blue Western Australian thinking it is preferable to be in Canberra than here—to be the Treasurer of Western Australia or a backbencher in Canberra. Fancy thinking that! That is some level of desperation.

Then we had Hon Troy Buswell, whom everyone knows, before the events of whatever night it was when the car went rampaging around the suburbs, was under immense pressure for having been at odds with the Premier in

trying to rein in the spending spree. We all know that when the government lost its AAA credit rating, Treasurer Troy Buswell was honest enough to say that Standard and Poor's was right. Unfortunately, of course, because of the way modern media works, almost the exact instant that the Treasurer 'fessed up and said that Standard and Poor's had got it right, the Premier was on another radio station saying that it got it wrong. That is a big problem. Through various threat events that were well chronicled we saw the departure of a second Treasurer. Now we have Hon Mike Nahan, the member for Riverton, who has been reduced to a state in which, a matter of days before the budget, he actually had to put out a press release warning the community of Western Australia to expect significantly higher deficit and debt levels. It was a matter of days—we could have counted the hours—before he stood in the other place and read the budget speech. He had to go to the media and say, "Look guys, we really have to start preparing the ground here for something that is going to be pretty unpalatable."

There are some extraordinary statements in the Treasurer's statement on 11 May. I gather that there was some kind of press conference at which he was asked whether there would be further big ticket pre-budget announcements. That press conference was on 11 May so, as I say, we could count the hours between the press conference and the budget. He was asked whether there would be further big ticket pre-budget announcements over the coming days, and the Treasurer said —

As is want in budgets, most of the major initiatives have leaked out there through various means, some not purposeful.

Do we dare try to understand what that means? It looks absolutely alarming to me —

As is want in budgets, most of the major initiatives have leaked out there through various means, some not purposeful.

I would like to think that this neat and tidy three-page bill was not purposeful and that somehow it was all a big mistake. I understand—although I did not hear it myself—that when this bill was second read in the other place, there was considerable confusion about whether we were talking about millions or billions. Maybe there was a typo. Maybe this is one of those unfortunate mistakes, some of which are not purposeful, but it is a typo. Maybe it is a million. Maybe that is how the Treasurer got it through the party room. If ever I wanted to be a fly on the wall, I would have loved to have been the fly on the wall in the Liberal Party meeting room when the Treasurer and the Premier tried to defend a third loan bill, taking the total that has been borrowed over and above the budget to \$21.3 billion.

Debate adjourned, pursuant to standing orders.