

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 29 June on the following motion moved by Hon Helen Morton (Parliamentary Secretary) —

That pursuant to standing order 49(1)(c), the Legislative Council take note of tabled papers 2044A–H (budget papers 2010–11) laid upon the table of the house on 20 May 2010.

HON SUE ELLERY (South Metropolitan — Leader of the Opposition) [2.11 pm]: The budget before us does not reflect the prosperity of Western Australia, and imposes huge increases in charges on families, on top of the significant increases in last year's budget. This budget proposes a 22 per cent increase in electricity bills next year as part of a 37 per cent increase over the next three years, and, of course, the 10 per cent increase that will come into effect is now just 24 hours away with the start of the new financial year. The budget imposes significant increases to water bills of nearly 30 per cent, and proposes more increases in the future.

The government would have us believe that it is protecting vulnerable Western Australians through the additional funds that have been put into the hardship utility grant scheme. The hardship utility grant scheme was a program initiated under the previous Labor government to address a very specific set of circumstances, and I will talk later in my contribution to the debate about those circumstances and why I do not think HUGS is the right program to address the pressures now on families. HUGS was not designed to address increases in bills; it was designed to address something very different.

This budget should have shown us the strength of the Premier's words about improving the relationship between government and the community sector, particularly the Premier's acknowledgement that addressing the gap in the wages and remuneration available to people providing services in the community sector, compared with the wages of people providing similar services in the government sector, needed to be addressed. We cannot see that in this budget. This is the budget that should have showcased the government's promises on improving the delivery of mental health services—not just by the appointment of a commissioner or the establishment of a new office, but by actually improving the delivery of mental health services. We have not seen that.

This is the budget that should have been a showcase for how successful royalties for regions has been—but it is not. We see the pressure building between those members who hold government seats particularly in outer metropolitan areas—but not just metropolitan areas—and members of the National Party. The allocations are growing, but so is the underspend. Money has been allocated but not spent under the royalties for regions program. Instead, a badging exercise has been undertaken, with core businesses of government being badged under royalties for regions. There has been no difference in how the programs are delivered or in the department delivering the programs, but within the same department one lot is funded through its normal core business and the other is funded under the badge of royalties for regions. People are asked to believe that the allocation is somehow different and new, and occurred only because of royalties for regions. In actual fact the same department was delivering exactly the same program and had plans for exactly the same rollout. It is just a badging exercise.

This budget should have been a demonstration to Western Australians of how this government is not just talking but actually delivering—it is not. This budget should have been a budget to make Redress WA right and to address the heartbreak caused to many Redress WA applicants when the decision was announced last year, in different economic circumstances, that the cap on the maximum payment would be cut nearly in half—but it is not. This budget should have been a budget to show Western Australians a government that is working together—but it is not. It shows two Premiers, two Treasurers and an internal conflict. There are two streams of decision making that will inevitably end in tears. This government is certainly not demonstrating that it is completely at one, as the tension between particularly outer metropolitan government seat holders and National Party members continues to grow.

I turn first of all to the question of increases in family bills. I will quote former Prime Minister John Howard, although he is not someone I would normally quote. He came up with an expression that best describes something that is grabbing the public's attention as a "barbecue stopper". The increase in utility prices for ordinary Western Australian families is indeed a barbecue stopper. It is causing significant anxiety and concern to the community, particularly people on fixed incomes; not just those who hold concession cards because they are eligible for some kind of government income support through the pension, but also people on fixed incomes—for example, self-funded retirees. The pressure is not limited to people on fixed incomes. It is very much pressure on family income earners who are engaged in the labour market. It is still putting pressure on those families.

Western Australian families are starting to see the economy turn. There is no doubt that the global financial crisis put a dampener, both psychologically and economically, on things about 18 months ago, but that is not the case

anymore. Western Australian families see the revenue of government increasing. They hear the government brag about a budget surplus and they also see that unemployment figures look quite strong. What they generally see is a prosperous community and they wonder why they are being hit with such a massive increase in their utility bills. The explanation from government is that it is all about real prices for real services, it is about cost-reflective tariffs or it is about user pays. We can pick whichever expression we want to use but the argument put by government is that for too long Western Australians have not paid the real price for utilities and it is about time they did.

What is starting to get out into the public debate a bit more is that not only did this budget impose further massive increases in fees and therefore play its own part in an assault on home budgets and family budgets, but also the government's own take from dividends from government trading enterprises such as Synergy and the Water Corporation is also increasing at the same time. We, as citizens, are paying more for our bills. The government does not tell its trading enterprises to keep the money to reinvest in the appropriate infrastructure or to put more into programs to assist consumers in their ability to cut electricity and water usage and all of those things. Instead, they see the government taking the money and increasing their bills at the same time. They certainly do not see it being reallocated to assist them to meet their daily bills.

The non-government sector—the community sector, which has always and will always provide services to those in need—is noting a significant increase in demand. I have talked about that in this house before. Organisations such as St Vincent de Paul Society are now talking about an 85 per cent increase in demand for the kinds of services that they provide. The local newspapers in the areas that are serviced by my electorate office, which is in Willetton, for example, report on the two St Vincent de Paul sites that are close to Willetton—Victoria Park and Canning. St Vincent de Paul is saying that it has had hundreds of requests for clothing and household goods over and above what had previously been requested. The *Canning Examiner* of 4 June this year reports —

“We experienced an 85 per cent increase in the number of utility bills requests in March this year compared to March last year followed by a 45.5 per cent increase in April ...

“With households now having to find an additional \$400 each year for the increased fees and charges —

That has gone up —

on utility prices, it's easy to see how families budgets are stretched beyond control and more than ever, people who have never had to access welfare assistance before are now calling on our services for help.”

I want to come back and talk a bit about those people who have never had to use those kinds of services before and why I think the hardship utility grant scheme, which I think was designed to meet another need, is not the best program to deliver assistance to these people. The kind of effect that it is having on people snowballs; it is not just the circumstance of one bill that causes a problem at one particular point in the financial cycle of a household. What happens is that the level of debt of people starts to snowball. Their feelings of helplessness about their capacity to manage their household also start to snowball. An article in the *Melville Herald*, again at the beginning of June of this year, referred to a local resident in Hilton. She described the effect when she said —

“You only need one big bill and it's a snowball effect and [people] just get deeper and deeper ...

... the increases in utilities just compound it ... we don't expect to see the real effect until after winter.”

As the peak organisation in Western Australia, the Western Australian Council of Social Service obviously talks to all of its member organisations, which, like St Vincent de Paul, provide services across Western Australia. It has attributed the most recent spike in requests for assistance to the ever-increasing housing prices and rising costs of essential services. The point that Sue Ash, the chief executive officer of WACOSS, makes is that we would always expect there to be a core group of people in our community who are going to need assistance. This is the part I want to return to address in a minute about HUGS. There are always going to be those constituents of ours who from time to time get themselves into financial bother. There will always be that group of people. But what organisations are increasingly reporting is that it is a new group of people who are accessing services. These are not people who will get themselves to the point of disconnection of services, which is what HUGS was designed to deliver. These are people who will forgo other things that, as Western Australians living in a reasonably prosperous community, they would reasonably expect they would be able to afford. But they will go without those things to ensure that they pay their bills and that they do not get themselves to the point of disconnection.

The point that Sue Ash was making in the article in *The West Australian* at the end of March this year is that while there would always be a core group of the community who needed help, a different group of people also needed access to welfare assistance. Ms Ash said —

Many charities and emergency relief agencies are finding that they are really struggling for donations and there will be a really big push on for their winter appeals ...

We are seeing that now across a range of media fronts. I am sure that we all, as members, get requests through our electorate offices for assistance for the various charitable organisations' winter appeals.

The Shopfront service in Maylands, which is outside my electorate but was mentioned in the same article in which Sue Ash was quoted, is run by director, Brother Peter Negus, who said that the centre had been forced to turn people away as it battled to keep up with requests for assistance. He said that last year the centre interviewed up to 40 people a month who needed help, but it was now closer to 80. The Smith Family charity spokesman, Paul Henderson, said that demand was greater than it had ever been. The St Vincent de Paul Society in Osborne Park, which runs a service that provides clothing and also has a furniture depot there, reported a 100 per cent increase in the amount of material aid distributed at the beginning of this year; that is, a 100 per cent increase in the number of requests for furniture and household goods that people were seeking. That is extraordinary in a state like Western Australia, which is generally, by most measures, a prosperous community. It is extraordinary that an organisation like St Vinnies in Osborne Park is finding a 100 per cent increase in requests for things such as beds, wardrobes, kitchen tables and things like that, which people cannot access otherwise than through a second-hand service like the one that St Vinnies runs.

Just south of my electorate in Mandurah there has also been a huge demand for assistance with emergency relief. I was in Mandurah two Fridays ago and met with some people who work for one of the organisations that provide emergency relief. They were certainly staggered at the number of people who are seeking assistance from them.

I have flagged already that I want to make some comments about the hardship utility grant scheme. HUGS came about as a result of a joint project between government and the Western Australian Council of Social Service to address the problem of families who were either disconnected from utilities or at serious risk of disconnection, as that sometimes had terrible consequences for families. Members will remember the case of the mum and her two young children, which highlighted that most poignantly to Western Australians. In that case there were tragic consequences as a result of a fire that they had lit because they had been disconnected from power services—in the northern suburbs, I think it was. Those were terrible and tragic circumstances for that family.

HUGS was initiated to deal with people who found themselves either disconnected or at risk of disconnection. It included assistance with payment of the immediate bill that was causing the disconnection, and then required referral to a financial counselling service to assist families to get their finances in order, as the pattern for these families generally was that they were falling behind in all areas of their financial responsibilities. This is the group of people I have talked about before who from time to time we have all seen in our electorate offices and who get themselves into bother across the range of their financial responsibilities and obligations. In many cases there is a multiplicity of problems in those households. It is not just about their capacity to pay one bill; it is about their capacity to manage their finances generally. There are often other problems as well, which means that focusing on sorting out the finances drops to the bottom of the list of things that they have to deal with. HUGS was developed to assist those people. To be eligible for HUGS, they must be at risk of imminent disconnection or already disconnected; they must be experiencing money problems; and if the utility believes that they have money problems, it will refer them to a financial counsellor. In respect of water, if they are in receipt of a concession card of any kind, whether that be a pension card, a healthcare card or a WA Seniors Card, they are ineligible for HUGS. The Water Corporation took that view because it argues that it never disconnects concession card holders; therefore, it would not be part of a program that provides financial assistance to people when eligibility to access that program requires either imminent disconnection or disconnection of service. The hardship utility grant scheme does not apply to concession card holders who have difficulty paying Water Corporation bills. Many people who are really struggling to pay their increased utility bills will never get to the point of disconnection. Seniors and self-funded retirees, in particular, will turn off their heater and will sometimes eat pet food rather than face the embarrassment of not paying their bills. They will never get themselves to the point of disconnection because of the embarrassment and mortification attached to that. It is a generational thing for those people who went through the Depression or the Second World War. The notion that they would find one of their utility services disconnected because they could not pay a bill would be unthinkable to them. They believe that if they pull in their belt a bit by buying Black and Gold baked beans, turning off their heater and putting a rug over their knees and certainly not turning on their air conditioning, they will never get themselves to the point of disconnection.

Many families on reasonable incomes that they expect to be an entirely liveable income are struggling, and, equally, they will not get themselves to the point of disconnection or imminent disconnection. They will go without. That is why we need to rethink the parameters of HUGS. It is a program that was designed to meet one-off bills that had the effect of either disconnection or imminent disconnection.

If members read the HUGS guidelines, they will find that they include things such as, “You found yourself in financial difficulty because of imminent or recent job loss”, or, “There has been some problem with your electrical equipment such that it is chewing up much more power than you thought it was.” HUGS was designed for that sort of measure. In addition, it was designed for the general catch-all; that is, “If you cannot manage your money generally”. That is the reason that the guidelines include a component to refer somebody to financial counselling to help them get their finances back in order. The categories for HUGS include those kinds of people who we know from time to time get themselves in a bit of a bother because sorting out their finances comes at the bottom of a long list of other things that need to be sorted out, irrespective of whether it is mental health, drugs and alcohol, family and domestic violence or other kinds of housing pressures. It was designed for those people who do not necessarily have the skills to manage their own finances. It was designed for those people who might find themselves in a one-off unplanned circumstance, such as the loss of a job. It was not designed to address the fact that utility prices would rise by such a significant amount over a relatively short period.

Although I welcome the investment in the budget to put additional funds into HUGS this year, we need a rethink about whether HUGS is the right program to address the kind of stresses that a new category of people find themselves in. We certainly need to look again at the HUGS policy parameters for those on fixed incomes. We all know that some people, particularly pensioners and seniors, will not get themselves to the point of disconnection, but they will find themselves in real trouble and they will get sick if they do not turn on their heaters and they will be unwell if they do not turn on their air conditioners when they need to. A better set of policy parameters are needed to address that growing group of people that HUGS was not designed to assist.

I will comment on the expectations that were raised in the announcements by the Premier when he came to office, and he was taken at his word. I certainly welcomed his announcements about how he intended to work in a much closer partnership with the community sector, how he saw its role expanding and how he understood the pressure it was under because of the funding gap and the wages gap between the public sector and those people employed in the community sector. He recognised that that problem needed to be addressed. There was great hope, therefore, when we saw this budget—not the first budget, because the government had to get a range of things in order for its first budget, but the sector had high expectations for the second budget. The budget delivered a partnership forum that would include at the table everyone who needed to be at the table, and that was great. However, everyone in government and in the sector has been through that process before, so there was a bit of a “been there, done that” response. There was an allocation of around \$12 million for the innovation fund and the no-interest loans fund. Both of those were good things and were welcomed by the sector; they were both recommended in the economic audit report. However, there is no commitment in the budget to implement the rest of the recommendations of the economic audit report. That report canvassed a range of matters relating to the way in which the government does business with the community sector.

I want to turn to an interesting sideline for the moment. There was a point made in the economic audit report that was somewhat lost in the public debate. In its consideration of increasing the amount of services that are to be delivered by the community sector, the report did not limit its recommendations to the not-for-profit sector. I refer to the section entitled “Designing Services to meet Citizens’ Needs”. At page 49, under the heading “A Vision for Services to Meet Citizens’ Needs”, the committee sets out some of the features that should characterise the provision of human services. The third feature in that list states —

The balance between delivery by the public sector and by community sector organisations will be improved. In general, the public sector will not have a monopoly on the provision of a particular service. Competition will be driven by users. The community sector will be given the opportunity to tender for the delivery of all Western Australian human services. In many instances, private providers will also have the same opportunity to tender,

That is the line that I think is particularly interesting; it has not been illuminated by the Premier to any great extent, but I am looking forward to finding out exactly what he means by it. Private providers have entered into other areas of human services in Australia—for example, aged care and child care. Unless we have very strong regulatory and enforcement frameworks to meet community expectations for service delivery in those areas, there will be, and have been, fatal flaws in those systems. The rise and fall of ABC Childcare about 18 months ago created a great deal of consternation and uncertainty among parents. At worst, there have been failures to meet regulatory provisions for service delivery and quality of care in those areas. At many of the community sector forums that have been held since these recommendations were made in the economic audit report, I have been asked my view and the Labor Party’s view on the notion of users having a greater say in the design and

delivery of services. In reply I use the example of my own family; people will get bored with this. My mum has a serious disability as a result of an injury sustained in a car accident 17 years ago. She lives at home —

Hon Ken Travers: Is it really that long ago?

Hon SUE ELLERY: Yes; tell me about it!

She lives at home with Dad and we have services into the house every day. Dad still runs his own business—many people in the chamber know about that—so he works. Therefore, on any given day there will be at least three, if not four, different people who come in over the course of the day to help Mum with various aspects of living at home. On any given day we probably deal with—I should count them; I am trying to think of the number of different bureaucracies and organisations that deliver the services we use—at least eight, probably 10, different organisations that we use for various services. Whether it is the provision of occupational therapy, the personal care service, taking Mum shopping or respite services, it is a pretty high number. We deal with a lot of different bureaucracies and, after 17 years, we are a bit bored with telling our story time after time after time. Therefore, the notion that we as the users would get to design the services and get a bucket of money to help us purchase the services that we want is on a superficial level very damn attractive to my family. However, I put two qualifiers to that. One is that even if we had the bucket of money, we could not purchase the services that we want because they are not available; there is a dearth of places in certain of the services that we use and there is a dearth of professionals in some of the services that we use—long waiting lists and things like that. Even though we are for the most part a well-resourced family and pay for as much as we possibly can ourselves, I would be terrified if I did not think there was a very strong regulatory framework for the quality of care and enforcement of quality of the services that we use. I would be terrified if that were the case.

Therefore, before any steps are taken down the path of adopting the policy of consumer-directed services, I want to see happening at the same priority level at exactly the same time, if not before, the commitment to the regulatory framework and decisions about how that will be enforced. That does not mean prescheduled visits to check that the quality of care being provided meets level X; it means spot checks and all those sorts of things so that we can be absolutely sure that we are getting the right level of care. In a family like mine in which there is at least one assertive redhead, we would probably get the kind of services that we want because I would make damn sure that we did. However, there are families that do not necessarily have the same kind of resources that our family has, or the same level of education or the same access to the kind of networks that exist in Western Australia. I really fear for how those families would satisfy themselves that the services they were buying with the bucket of money would actually provide them with the quality of service delivery that they need. Therefore, if the government goes down this path of embracing the notion of more consumer-driven services and the practical terms of handing over to consumers a bucket of money and saying, “You make the choice; you purchase the product that you want that suits you”, it must have a really strong regulatory framework around that and a really strong commitment to quality of service; otherwise, it will end in disaster—absolute disaster. In many of the human services that we are talking about, we literally place our children in the hands of child carers and we literally place our aged parents—their lives and their safety—in the hands of care organisations, and we do the same for people with disabilities. It just so happens that even though my mother resists the title “aged”, she does actually, whether she wants to admit it, fit into two categories—that is, being of a certain age and having a disability.

Unless we put that regulatory framework up-front, make it 100 per cent clear and pay for the kind of regulatory enforcement that needs to go with it, we put those lives at risk—literally. There are a range of other services that my family does not have connection with. However, mental health services are in exactly the same set of circumstances; we are putting people’s lives in the hands of others. It is easy to be attracted to the notion that consumer-directed services are great and it is all about the consumer, the family, the carer and individual choice, but unless we make sure that the state determines the level of quality of care and the state enforces the delivery of that care, it is a very dangerous path that we go down.

There was no down payment, if we like, in this budget for addressing the current funding gaps, which I know the sector was looking forward to. In its pre-budget submission to government and to others, the Western Australian Council of Social Service made clear its view on what would happen if that did not occur when it said —

This submission presents a range of recommendations that are designed to reduce the level of hardship and disadvantage experienced by the community as a result of the economic downturn. WACOSS recommends that the WA Government invests now to prevent more West Australians from experiencing hardship and disadvantage as a result of the economic downturn.

It is critical that the Government implement the recommendations contained in this report before WA moves into the next boom period. While this economic downturn clearly presents challenges, a rapid

economic recovery is likely to lead to higher prices across basic goods and services and exacerbate some of the current social pressures

The submission went on to refer to building the capacity of the current services that are delivered by the sector, and drew the following conclusion about wages —

If data for average earnings by occupation are examined, the pay gap is 22%. If data for average earnings by industry and industry subdivision are examined, the gap is 23%. If data for social workers in the community and public sectors is compared, the gap is between 24% and 37% at various points of the earnings scale. If data for drug counsellors is examined, the gap is between 6.7% and 30.6% at various points of the earnings scale.

WACOSS makes the point that historically this was introduced under a Labor government, and states that the state government provided indexation to funded service providers based on a combination of the consumer price index and the wage price index. The submission continues —

This indexation payment aims to preserve the real level of Government funding over time. While indexation is a welcome and necessary component of State Government funding policy, the sector requires a significant injection of catch-up funding to bring the sector back to a reasonable level of competitiveness with comparable jobs in the public and private sector.

WACOSS makes the point that this recommendation is not for the continuation of indexation payments, nor for an increase in the number of funded or outsourced programs, although they welcome both those things. WACOSS says —

Instead ... this recommendation reflects the urgent need for an increase in the level of existing funding —

That is “existing” funding —

to not-for-profit organisations. A failure to deliver on this issue will imperil the viability and sustainability of not-for-profit organisations and threaten service levels.

To reduce service levels means to continue to turn our backs on the 400,000 people who rely on the support of our sector; people living on low incomes, the unemployed and under-employed, culturally and linguistically diverse communities, humanitarian migrants, people with mental illness or other health problems, drug and alcohol users, children, people with a disability, and all of us who move in and out of the experience of financial hardship.

If one adds to that the views that I canvassed earlier of organisations such as St Vincent de Paul, which are seeing an increase in some of their services of 100 per cent and in others of 85 per cent, there has been an increase in the number of people who are using those services who do not fit into those categories I have just listed but who are having to use those services because of the impact they are feeling on their household budgets as a consequence of the rapid increase in the prices of essential services. It is all the more disappointing to the sector that the budget did not at least include a down payment to start addressing that issue. As yet, of course, we have not seen the expansion of any services from the public sector to the not-for-profit sector other than those that had been announced before.

I want to touch quickly on the issue of Redress WA, because the implementation of the reduced payments continues to cause confusion, heartache and a sense of betrayal to those Western Australians who were abused as children while they were in the care of the state. Two things happened last year. One is that the cap on the maximum payment available was reduced from up to \$80 000 to up to \$40 000. The government’s calculations will see most people get, I think, between about \$5 000 and \$13 000. The government extended the period within which payment will be made by an additional six months. That period is not to be sneezed at. I am sure it was of assistance in the administration of the scheme, but in terms of people’s expectations, that also has caused some heartache.

Early payments to those with terminal or life-threatening illnesses started in February. But we are now at the end of June, some five months later, and some people who are still confused about that process have not received payment and feel, to a certain extent, that their applications are being messed around. As people might expect, because of the shadow portfolio I hold, I am in regular contact with Redress applicants so I hear these stories every day. The most recent one was relayed to me yesterday. A gentleman who has a terminal illness has an application in to Redress WA. In the first week of March he received a letter stating that he had been identified because he had told Redress about his terminal illness. He was therefore going onto the priority list and could expect contact from Redress soon to check that his details are accurate and that there is no further information he wants to add to his application. That was in the first week of March. He did not hear anything until he got a

phone call in the first week of May when he was asked whether he wanted to add any information to his application. His answer was no, so he was told in that first week of May that he could expect an offer of payment to be made in the next couple of days. It is now two months later and he has not heard anything from the department.

Hon Robyn McSweeney: If you give me his name, I'm happy to look into it.

Hon SUE ELLERY: I will not give the minister his name. I suggested to him that he should do that himself, or that I would be happy to do that for him, but he does not want me to. He told me that he did not want to make a fuss about himself, but if he was being treated in that way, maybe others were being treated like this, and he thought that needed to be fixed.

Hon Robyn McSweeney: Not to my knowledge.

Hon SUE ELLERY: I asked him whether he would like me to raise his case directly with the minister or the minister's office or otherwise, but he does not want me to do that, so I am not going to. I ask to be taken on trust when I tell the minister that that story is real. I confirmed the March and May dates in a phone call with him yesterday. I was really surprised—although I probably should not have been—about the people who have spoken to me of their experience with Redress WA. I do not say this to be pointed politically, but to make the point that Redress WA has affected people from all walks of life. A number of people have contacted me directly whom I would describe as being active on the conservative side of politics. Some of them have rung me; some of them—Perth is a small town and we see people at functions and so on—have approached me at functions. It is the ones who have rung me and asked to meet with me that I have found myself being most surprised about, because it is no small feat for people in either the National Party or the Liberal Party to ring Sue Ellery in the Labor Party and say, "I want to tell you about my experience with Redress, and how disappointed I am." Members opposite would be surprised at where those people sit in their organisations. Members opposite would be surprised by the experiences of those people, given the status that they now hold in the broader community and in the business community. There has been some publicity about those people, and we all know about that. Steve Irons, the federal member for Swan, is one person and Michelle Stubbs is another who have publicly expressed their disappointment in the government. That was a brave thing for them to do, particularly for Michelle, who felt personally hurt by the circumstances. With no disrespect to Michelle, I think that Steve is a bit tougher. Although I know it caused him angst, personally it took a tough toll on Michelle Stubbs. It would be easy to characterise my comments as trying to strike a political point, but I am not. I am trying to make the point —

Hon Robyn McSweeney interjected.

Hon SUE ELLERY: Minister, I am trying to make the point that these people come from every walk of life. It is easy to draw a conclusion that Redress WA applicants are of a certain socioeconomic status, live in certain postcodes and are of a certain age—and many of them are. But people would be genuinely surprised by the circumstances of many other people. At least two of them are my age or younger and come from the other side of politics. I am still staggered by the notion that while I was living my happy middle-class childhood growing up in Floreat, people my age were being treated as appallingly as these people were in state care.

Hon Robyn McSweeney interjected.

Hon SUE ELLERY: The minister is missing my point entirely. I am not saying these things to score points. I am trying to make the point that the scope of people affected by Redress WA is broader than the stereotype of these people. All I am telling the minister is that from my experience of those who have contacted me, the people who are affected by this are not just part of that stereotype. That is the only point I am making about that issue.

Hon Robyn McSweeney: And the point you made on radio is that I am waiting for them to die rather than pay them. I found that to be absolutely disgusting.

Hon SUE ELLERY: Minister, we dealt with that at the time. I do not want to turn this into a competition about whether the minister is a good person or whether I am a good person, because that is irrelevant.

The PRESIDENT: Order, members! One at a time.

Hon SUE ELLERY: Unfortunately, on any measure of what those applicants think about how they were treated, it is not this side of the chamber that will be judged harshly.

I turn to the other element that I want to comment on in my budget speech—that is, the budget papers themselves. I am concerned at what I think is a bit of a cavalier attitude to the out years in the budget. Some things are in, and the Premier says that we should not assume that the government is going to stand by them. Yes, the predictions for increases in utility prices next year are in the out years of the budget, but we should not assume that that is what will happen. Despite the fact that those things are in the out years, because they are part

of the assumptions that the budget is built on, we should not assume that they will stay in the out years. Some things are not in the out years, such as increases to the hardship utility grant scheme, which do not go beyond this financial year. But we should not take that to mean that the HUGS will not be increased next year, because it will be. I think it is quite concerning that we are being given mixed messages about how we should treat the financial assumptions that make up the budget and how we should draw conclusions about the types of policy directions that the government wants to take when the Premier changes his mind about those things that are in the out years or are not in the out years. Should we assume that the rest of the budget will fall apart because those assumptions are not clear?

That concludes the comments that I wanted to make. I began by saying that this is a budget that does not reflect the prosperity of WA; it does not. This budget imposes huge increases on WA families, and that is a barbecue stopper. The government needs to think about how it can better address the needs of the people who are struggling to pay those bills. The hardship utility grant scheme was a good program that was designed to meet a very specific set of circumstances. It is now dealing with another set of circumstances—that is, an increase in costs, not a family's emergency needs. We need to rethink the parameters of that program so that it properly addresses the needs of Western Australians.

HON MIA DAVIES (Agricultural) [3.00 pm]: I would like to focus on a number of initiatives in the budget and reflect on the first year that I have served as a member representing the Agricultural Region. It has been a most enjoyable year representing the people who live in this region. From Kalbarri to Bremer Bay and out to Westonia, there has been no shortage of issues for me to get my teeth stuck into. I have had the privilege of meeting a vast range of individuals and groups, all of whom in their own way are trying to make a difference in their community. They have on occasion brought to my attention individuals who have reached the end of their tether. Having exhausted their options, they are seeking assistance. To be able to assist these people has been one of the most satisfying parts of this role, and I am sure that all members have found that to be true. I would like to reflect on that after I have spoken about my first year in Parliament.

I have travelled a great deal since May last year. I know the inside of my car very well and I am getting to know my electorate and the people in it very well too. I have made a great effort to get to as many communities as possible in my electorate and, in particular, I have made a great effort to meet as many local governments within my electorate as possible. With the issues of local government reform and the country local government fund, some lively discussions have taken place among shire councils. I take the opportunity at this point to put on the record that the National Party has made it clear that it does not support forced amalgamations. Much of the debate or criticism surrounding this issue has been directed towards local governments in my electorate. There are a large number of communities in my electorate, each with its own identity and history. They are fiercely proud of both these elements and of their ability to deliver good outcomes for their ratepayers. All those with whom I have spoken maintain that they can work together with their neighbours to achieve efficiencies. Most of them are already doing this, to some degree. Everyone I have spoken to has said they are committed to collaborating on a regional basis. The country local government fund, which is part of royalties for regions, is designed to facilitate local governments to do just that. It provides a framework for regional collaboration while allowing individual councils to maintain their local identity. Members will note that there is an individual component of funding delivered directly to councils and that in the out years there is a regional component. The regional component can be accessed by local councils coming together as a group on a project-by-project basis. We will see some significant regional projects delivered in the future. Local governments are doing the planning for that right now. The projects that I am aware of will deliver long-lasting benefits on a regional scale.

The underlying ethos of royalties for regions is to facilitate, encourage and empower regional decision making. Partnerships with the state and federal governments and the private sector can become a reality. The advice that I have given to all the local governments that I have met with in this process is that they now have significant clout when it comes to showing the state and federal governments what the local government funding priorities are in their region. These regional projects should be endeavouring to attract matching or contributing funds from the state, commonwealth and private sector. I am very excited to see what the outcome of this process will be.

I would now like to touch on royalties for regions and place on record that I am yet to visit a community in my electorate that has not welcomed royalties for regions as a breath of fresh air. I have listened to members of the opposition speak on the subject and heard them cherry-pick the projects that they think are a waste of money, while those that earn grudging praise are glossed over. I realise that members opposite are wishing to direct their criticism at the government about the perceived failings of the program and at the minister, as is the nature of this process. However, opposition members are actually criticising community groups, non-government organisations, individuals and local governments in regional Western Australia. The projects that receive funding from royalties for regions come from the grassroots, where they are conceived and planned. Proponents contribute their own funds and time to secure the funding. The Nationals in government are working hard to

maximise the accountability and value that regional communities derive from this funding. Make no mistake; we will not be second-guessing the priorities of the expenditure. That is the way to quickly fall back into the trap of the government believing that it knows best. I will say no more of this; royalties for regions does not need defending. Members of this house passed legislation that enabled the royalties for regions fund to be enshrined in law. There was an opportunity for members to vote against that legislation, and they did not.

I would like to touch on a few other initiatives specific to the budget that I have a particular interest in. I was particularly pleased to see the allocation of \$51.9 million over four years for the upgrade of regional residential colleges. The Merredin residential college has been identified as one of the first cabs off the rank to benefit from this funding. I have not visited the Merredin residential college, but I took the time, while in Geraldton a couple of weeks ago, to visit the Geraldton residential college. There is definitely a need for some investment in these types of facilities. Parents will simply not send their children to live away from home in substandard accommodation; it is a deal breaker. In the absence of decent accommodation in a regional centre, parents inevitably have to send children to private boarding schools in Perth. This funding for the upgrade of the residential colleges will be the first step towards signalling that this government is serious about providing quality education experiences in regional Western Australia. I was especially pleased to see that royalties for regions has also contributed significant funding towards the setting up of eight new Clontarf academies, two of which will be in the Agricultural Region—one in Northam and one in Katanning. I note that Mr Gerard Neesham, the person responsible for establishing the Clontarf academies, was recognised at the recent Western Australian Citizen of the Year Awards for his contribution to education and sport through this program. I also note that Hon Matt Benson-Lidholm, during his contribution to the debate, mentioned that the netball program run by Ricky Grace should have been considered a good candidate for some funding. I am sure that the Minister for Sport and Recreation, Hon Terry Waldron, would welcome a discussion with the member on this issue. The other day, I had a similar discussion with the minister—albeit not specific to the program run by Ricky Grace—about how we can support netball in the same way that we support country football. Members know that the Minister for Sport and Recreation is passionate about sport, and although he is an accomplished footballer and cricketer, they should not forget that he has four daughters and has spent hours and hours supporting them on the netball court! I would be happy to have a further discussion with Hon Matt Benson-Lidholm about ways to pursue this, if that is of interest to him.

I will now briefly touch on two issues that Nationals members have raised time and again on behalf of the communities that we represent. The first is the infill sewerage program for which \$100 million over four years has been allocated. Off the back of the minister's media release, a number of local governments contacted me seeking information about the allocation of that funding. I am advised that the program rollout is still being finalised. However, it would be remiss of me to miss an opportunity to put on the public record that both the Shires of Bruce Rock and Kondinin have written to me about this matter, and that I have spoken to someone who advised me that the Shire of Chittering would be putting its case directly to the Minister for Water. I have seen the situation in Hyden; it is not good. I would suggest that this community should be very close to the top of the list as the programs are prioritised under this funding rollout.

The second issue I would like to discuss is the distribution headworks charge and subsidy scheme. I know that the member for Blackwood-Stirling was particularly pleased with this initiative. He raised the fact that the headworks charge—a one-off payment for customers to connect to the electricity grid or upgrade their connection at remote or edge-of-grid locations—was a major disincentive to regional development. I commend the Minister for Energy's announcement that the distribution headworks charge would be totally subsidised for eligible customers from 1 July 2010. Furthermore, customers who have paid the charge since 2007 will have their payments refunded through royalties for regions. In opposition, the Nationals received many representations from customers—some residential, some commercial—who had been whacked with this huge charge. The charges ranged into the hundreds of thousands of dollars in some cases, and were essentially acting as a negative signal to businesses and individuals seeking to invest in the regions. The message was, "Stay away; take your investment and sink it into a development elsewhere."

Both the infill sewerage program and the distribution headworks charge and subsidy scheme are a strong indication that this government has identified and begun to address some of the triggers that act as a disincentive to regional development.

I now move on specifically to the Mid West and an issue that I have been working on in collaboration with the Shires of Perenjori, Morawa and Mingenew and the Mid West Development Commission. It has already been noted by a number of members in this place that the Mid West is an exciting place to be at the moment. It is on the cusp of something great and with that comes great responsibility for the leaders in these communities and the state and federal governments. Mr Gavin Treasure from the Shire of Morawa was one of the first representatives from local government to contact me in my new role last year. He and others had been working on a concept that

would enable his community and others in the Mid West hinterland to lock in a lasting legacy for their communities off the back of the mining activity that is ramping up in the region.

I recently returned from a trip to Gladstone in Queensland with Hon Wendy Duncan. We were looking at regional development mechanisms at a local and state level. It struck me that there are many similarities between the Gladstone area and the Mid West and its surrounding areas. Everyone agrees—there has been much comment in the media and in the region—that we do not want to face the same challenge faced by some of the Pilbara communities, such as housing shortages, lack of services and social and physical infrastructure, skill shortages et cetera. I refer to a publication from the Queensland government’s Department of Employment, Economic Development and Innovation, which states —

Experience in the Bowen Basin —

That is the area surrounding Gladstone —

showed that rapid expansion of mining resulted in significant environmental, social and economic impacts, including cumulative impacts on local communities.

While we were in Queensland, Hon Wendy Duncan and I learnt about the Queensland state government’s Sustainable Resource Communities initiative. Page 41 of the report I mentioned earlier states —

The Sustainable Resource Communities policy was launched in August 2008 to respond to the challenges that come with accelerated growth in communities affected by resource development. It is designed to assess the impact of new industries on communities for example, the challenges faced by a town at the centre of a mining boom. The aim of this policy is to improve liveability by addressing problems of regional planning, housing, health and education.

The companies involved are required to complete a social impact assessment as part of their approvals process in Queensland, which then enables government and the community to forward plan for the likely impact of increased activity in and around this region. I note that some companies do this as a matter of good practice but it is by no means the rule. In my experience, the frustration felt by state and local governments in meeting community and business expectations for timely provision of services and infrastructure is usually matched by that of the companies involved. Having worked for the Chamber of Minerals and Energy of Western Australia for a short while prior to being elected, I also recognise that we do not need to make our approvals process more complex than necessary. However, I do feel that there is merit in the model being used in Queensland and the benefits would not just be confined to government. One of the biggest criticisms of the mining industry is that it is not putting enough back. This argument obviously has a national flavour at the moment. Surely a system that identifies up-front the social impacts of the project enables government and mining proponents to direct their dollars into projects that will deliver strategic outcomes as opposed to the sometimes ad hoc funding and planning that goes on. I do not wish to pick a fight with the mining industry; I understand too well the value that it contributes to our state. However, I do think there is scope for some creative thinking to ensure that the Mid West does not face the same challenges as the Pilbara and Gladstone.

I am looking forward to continuing working alongside the shires of Geraldton–Greenough, Morawa, Perenjori and Mingenew. These communities in particular have taken a proactive stance on their future and I commend them for it. The shires, along with the Mid West Development Commission and I, recently co-hosted a “Leaving a Legacy” forum in Perenjori. It was well attended by a cross-section of local government, non-government, business and community representatives, all in the one spot to focus on how communities in the Mid West could best address the impacts of proposed major resource projects as well as capture a lasting community benefit. The outcome of this workshop was a clear indication that there is a need for a regional master plan for the Mid West to coordinate the work of agencies, business and government in the region. A great deal of planning is happening in the Mid West already. By no means am I suggesting that we need to replicate what is going on because there are a number of forums; it is simply a matter of being able to coordinate these activities.

I note that the Pilbara has formulated a plan that has been the blueprint for government investment, and the other day I read in the *Kalgoorlie Miner* that the Goldfields–Esperance region is doing the same. I am happy to say that the Mid West region is well on its way to doing the same, and I know that its Wheatbelt counterpart is not far behind. Good planning and local prioritisation of projects will form the vision for those regions, and it is certainly an exciting time for everyone involved.

The final subject I will touch on today is that of the initiative on men’s health. It has been widely recognised by the medical profession and members in this and the other place that rural and regional men face differing health issues from their urban counterparts. In my part of the world, the Wheatbelt Men’s Health organisation has, for some time, provided counselling and support to regional men and their families. It is an exceptional service that is held up by many health professionals as the model for achieving real change in regional communities. If members have joined me or my colleagues at the Dowerin field days or the Mingenew expo or the Newdegate

field days, they will have seen the Pit Stop for men, which is a non-confrontational way for men to make a pit stop and talk to people about their health. The other day I met with someone who showed me how it works. The men can pick up a work order, which takes them through a number of health tests, including a chassis check, which is the waist area; torsion, which is flexibility; the exhaust, which is whether they smoke; fuel additives, which is how much they drink; the duco, which is a test for skin cancer; and the shock absorbers, which is about emotions. The men take all the tests on the work order, and if they fail any, they are directed to go and see their doctor to talk about things. It is a non-confrontational, easy way for people who walk by to be tested. Men are particular about talking about these things, which can lead to significant problems for themselves and their families.

Hon Ljiljanna Ravlich: Can you get a recharge? I reckon there'd be a few blokes here who might want one!

Hon MIA DAVIES: I thank Hon Ljiljanna Ravlich for her valuable contribution!

Hon Robyn McSweeney: She should go and get her chassis checked!

Hon MIA DAVIES: The focus of the program has been on education and assisting people before they get to the point of needing to visit mainstream health services. It has also been invaluable to communities that have been ravaged by drought. Members know that men are pretty good at bottling up their emotions, and the impact that can have on their health and the wellbeing of their families can sometimes be horrific. This exceptional Wheatbelt program will now be available to men and their families statewide because the Regional Development Council, which comprises the chairs of the nine regional development commissions, recognised the value of the program and endorsed its extension. Royalties for regions provided funding to ensure that this could happen, and it will receive \$2.789 million over the next three years. The program will now be known as Regional Men's Health to reflect the extension of its geographic footprint. I welcome the inclusion of this initiative in the budget, as it is evidence that the National Party and this Liberal–National state government are about more than just infrastructure projects; they are about supporting families in need and working towards reducing the horrifying suicide statistics for men in regional Western Australia.

The 2010–11 state budget contains dozens of initiatives that will deliver a positive outcome for communities of the Agricultural Region, and I look forward to seeing them come to fruition over the next years. The royalties for regions program will play a significant, ongoing role in the state budget; it is more than a badging exercise. In my opinion, it is a small amount—we spend a lot of time talking about it—and a very small percentage of the state's budget, but it has delivered a great deal.

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