

McGOWAN GOVERNMENT — ROYALTIES FOR REGIONS

Motion

MS M.J. DAVIES (Central Wheatbelt — Leader of the Nationals WA) [4.04 pm]: I move —

That this house condemns the McGowan government for its mismanagement of royalties for regions over the past four years, which has led to a fundamental loss of confidence in the program by regional communities.

The Nationals WA are raising this very serious matter as part of our private members' business this afternoon. For the past four years, Nationals WA members have been on the record raising our concerns about royalties for regions and how this government has used, or misused, this important regional development fund. It is a great concern to us that, as a result of the McGowan Labor government's latest budget, we are seeing further cuts and further misuse of a program that used to create opportunity and drive aspirational thought to grow our regions and allow communities to move beyond a subsistence-funding way of life. Unfortunately, that is a result of the way this government has chosen to use royalties for regions. Members travelling around regional Western Australia would be hard-pressed to find references to royalties for regions projects anywhere. In fact, that is the feedback we get from community leaders and groups that once worked with their local governments that partnered with private sector operators. They do not understand how to access this fund. The simple answer is that people living in Western Australia have very few opportunities and avenues to access this fund. That has happened systematically over the past four years, in the sense that one of the first decisions that this government made as a result of the machinery-of-government changes was to remove the power, or the strength, of the regional development commission model that was in place.

I might add, that that model was the envy of every other state and regional representative in Australia. They looked to Western Australia and the independent model that has local decision-makers who interact with other government departments and a minister who has a department that provides support. That is now missing. The way that this government has chosen to structure those development commissions has really cut them off at the knees. We still have development commissions. They are still there. I am not saying that they have disappeared. The boards have to be there under the act; it is a statutory requirement. They have a CEO who is responsible to the board, but then every staff member within that development commission is responsible to the Department of Primary Industries and Regional Development and the director general of the department. I am not sure how that structure was ever viewed as an efficient way of managing people. The department and the government ran a very smooth line when we asked questions repeatedly in estimates hearings to try to understand that new structure. The government has really concentrated the power of decision-makers and access to funding in Perth and decision-making in the Department of Primary Industries and Regional Development to the detriment of our communities. Essentially, people are not provided with the opportunity to front up to government and say, "I've got this great project. I think that we have something that will enable our community to grow. It will fill a gap. It may innovate a service." A department within government may say, "We want to innovate the way that we deliver services to regional Western Australia because we understand that the vast distances that we have to cover to deliver those services to a small population requires us to think outside the square."

For the Nationals WA, that is what royalties for regions should be about. It should be about creating opportunities for us to think differently about delivering services. I spoke about this during, I think, a matter of public interest a couple of weeks ago when we talked about the importance of being able to work with the Department of Health and the advent of telehealth. I speak about this with great passion because in the very early days, we provided the funds to set up that structure across regional Western Australia. Through the amazing work of the people who work in that department, there is a new development every week—a new application to allow us to better serve the people of regional Western Australia. When we first started, it was essentially about making sure our hospitals and doctors were supported. It was about making sure staff in smaller hospitals in remote areas had access to the very best specialists in our tertiary hospitals and that if we needed to provide a service for an outpatient, the patient could meet with a psychiatrist or a diabetes specialist. When we were in government, I think they worked with King Edward Memorial Hospital for Women around breastfeeding specialists so that new mums did not have to travel to Perth at a very traumatic time. Now telehealth is providing other elements such as palliative care opportunities to allow people to stay at home and palliate rather than have to leave their communities at a time of great challenge for their family and themselves. That telehealth system came from a discussion with the Department of Health and a fund that sat in royalties for regions called the Southern Inland Health Initiative. I think in the end it turned out to be about \$560 million-odd and that fund covered a number of different streams. There was one to deal with the bricks and mortar of hospitals that had been left to crumble under multiple governments. It was not just the previous Labor government; it was governments of both persuasions through, I think, a department that wanted to see those hospitals shut down. If we do not invest in them, they reach a point at which surgeons can no longer operate in them; patients cannot be admitted and operations cannot be done safely.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

The other part of it relates to hospitals, particularly those in Cunderdin or Pingelly in my electorate. In Pingelly, there had been one patient for many years—an aged-care patient. There was amazing infrastructure for a hospital that had been built probably sometime in the 1970s, but the state government, with taxpayers' dollars, was funding a laundry, a kitchen and the cleaning of an old and outdated facility. In discussion with Pingelly and Cunderdin and other communities that were willing to engage with us, we asked: "If we can deliver you a better health service, would you be willing to work with us?" Royalties for regions allowed us to step outside the normal structure of the Department of Health to work with those communities to deliver a healthcare option that retained its emergency department. For people who required emergency assistance, the service provided an opportunity to be monitored and to stay overnight for maybe a couple of nights. Those hospitals are built in close proximity to independent aged-care living arrangements, so there is a synergy between those members of the community, the emergency department and the health services. It meant that instead of spending oodles of money on maintaining old and outdated infrastructure, we were spending it on bringing in health professionals who were matched to the needs of the community. In Pingelly and Cunderdin, and I think this would be true of the electorates of Moore, Central Wheatbelt and Roe, there is an ageing population. There are high rates of comorbidity—people with diabetes and heart disease and challenges with smoking addiction and those sorts of things. Instead of all the staff sitting within the hospital, those services were pushed out into the community and we started dealing with the health needs of the community. It did not come without some challenges; it required us to push the boundaries but that is what royalties for regions allowed us to do. It allowed us to change a way of thinking and to extend that service and to fill a gap when there was a shortage of doctors. Unfortunately, we see that again right now. Instead of having a conversation, as we did, to say it is not acceptable to be without a GP, a nurse practitioner or health practitioner in our town, let us see if we can find a solution to this, this government takes the attitude that it is a federal government responsibility and it will not dip its toes into that pot of money. That is a challenge in regional Western Australia, particularly in areas such as mine where the hospital operates only when a GP is in town. There has to be a GP before patients can be admitted. If people are lucky enough to live in a town such as Northam, Bunbury or Albany where there are rostered on and salaried doctors, they do not have that issue. However, in many small communities where there is a hospital, there are no salaried doctors, so we rely on GPs. The state health department relies on GPs to make sure our health system works. This government has a stake in making sure that hospitals are operating efficiently and that primary healthcare professionals are based in our towns. It is the first thing people talk to us about when they say they are considering not staying in a community. If they cannot get access to health care or send their kids to a good school, they will pack up and leave. It is as simple as that.

Over the last four years of this government, I have seen the removal of that opportunity because it has been absorbed by the things this government has chosen to spend royalties for regions on. It has chosen to pay millions of dollars to the Water Corporation for a community service obligation. I am not saying the Water Corporation should not have that community service obligation. We should absolutely have a standard fee for the first X amount of kilolitres of water for every household whether we live in regional Western Australia or the metropolitan area. That is not in question. I am saying that under the previous government, the government before that and the government before that, CSOs came directly from consolidated revenue. It now comes at, I think, the rate of about \$250 million a year, which I think has been capped out across the forward estimates. The amount of \$250 million a year directly out of royalties for regions now goes to the Water Corporation to make its budget whole. I do not think that is anywhere close to the purpose or spirit in which royalties for regions was created. I will tell members what; people in regional Western Australia know that.

I want to talk about a survey, which, I have to say, was not at our pushing or prodding; it was done by a very good regional journalist from the *Kalgoorlie Miner*, Tom Zaunmayr. Anyone who has been to Kalgoorlie will no doubt have had a conversation with him. Tom was based also in the Pilbara, so he has watched the royalties for regions journey. He has watched what royalties for regions has delivered and has a good understanding of how it has impacted communities. I think he is somebody with a good base in terms of pursuing this line of questioning. He himself undertook to call every local government in regional Western Australia to ask them their view of how royalties for regions was being spent under this Labor government compared with what the previous government did. When he had finally finished that body of work, which I am told took him some time—he called every local government, but maybe nine did not respond, and there are a few local governments in regional Western Australia—on the front page of the *Kalgoorlie Miner* of 6 November, the result of his survey comes down to the headline "Has Labor Cooked WA Country's Golden Goose? Exclusive Statewide survey finds our regional leaders have lost faith in the management of Royalties for Regions under Labor Government". A couple of articles were written and I will read in some of the information he garnered as he was doing this damning survey. It is not only the Nationals whom we expect to stand in this place and tell people royalties for regions are being mismanaged, but also community leaders have seen what royalties for regions can deliver, but no longer see that fund being used appropriately. This is a direct quote from the article of 6 November in the *Kalgoorlie Miner* —

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]
p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Three-quarters of regional West Australian council leaders canvassed by the Kalgoorlie Miner in the past two months said they believed R4R was worse off than it was under the former government. Just 11 of 108 regional local government leaders said they were happy with the current direction.

That compares to 72 country WA leaders who said they were happy with the former government's R4R regime.

I have no doubt that members from the other side will stand up and point out that local governments in regional Western Australia did very well out of royalties for regions. In fact, one of the very first programs we ran was called the country local government fund. It was designed to acknowledge that there was an enormous backlog of civil and structural works in local governments in regional Western Australia that local governments were never going to be able to fill. Therefore, in that very first year of our government, part of the royalties for regions fund was to be used to assist local governments to deal with the backlog of infrastructure, upgrade housing and make sure that the amenities in those communities were safe and modern, and to provide them with an opportunity to start planning to really think beyond the subsistence that they had fallen into. I have to tell members that at that point in time—I was around in 2008 in the run-up to the election—really, in regional Western Australia, most people had stopped doing that planning because they could not see an opportunity under the previous Labor government. Was it Eric Ripper's government?

Mr D.T. Redman: Eric Ripper as the Treasurer, and Gallop.

Ms M.J. DAVIES: No; it was Alan Carpenter. Under the Carpenter government, there was no point in doing that planning. People did not have a number of plans in the bottom cupboard to pull out and say, "Have we got some plans for you", because there was nothing. If my memory serves me correctly, there was a regional investment fund at the time that was fully allocated. There was no interaction with regions. That fund was fully allocated by the government of the day, and that was essentially the regional development program. There was no Department of Regional Development. That department was created by our government to support the reinvestment into regional development commissions and to put some structure around royalties for regions. That was a commitment by our government to say that we understand how important it is to invest in the communities that generate the wealth of this state.

The article continues —

More than three-quarters of the 97 council leaders who responded said they were partially or completely unhappy with Labor's management of the fund.

Only 13 said they were unhappy with the former government's efforts.

That is fine; we are happy to take that one. We cannot please everyone, but we certainly pleased a vast majority of those communities. They certainly knew that the previous government was intent on delivering a fund that allowed them to not only fix the backlog, but also think about how they might grow, innovate services and create opportunity and jobs. All those things were true under the previous government. The article continues —

Support for Labor's R4R plan was strongest in the South West, where four of 12 councils gave their tick of approval, down from the eight who supported the Liberal-National government's plan.

The North West—including the Pilbara, where the fund made the most visible difference—had the highest level of dissatisfaction with the former government's program.

Four northern local government leaders raised issues with the previous regime, and none supported the current regime's changes.

That is fairly damning. The article is titled "... leaders have lost faith in the management of Royalties for Regions under Labor Government". It gives us no joy to stand in this house or our communities and point out the flaws in our communities and the challenges we see. We know that whilst royalties for regions is not the panacea for every problem we identify in regional Western Australia, it certainly creates an expectation that the government of the day, the executive government and the departments that are responsible for delivering services must pay attention to regional Western Australia. It is harder to deliver services out there. It is more difficult to get business cases through the Treasury boffins when they are looking at cost-benefit analyses that are reliant on large numbers of people saying that a project is worthwhile and that this many people are going to be impacted. That does not wash for someone who comes from a town like Wyalkatchem. Wyalkatchem is not where I live now, but it is my home town. For the last two weeks, I have had a deluge of contact from people who live in Wyalkatchem because their Telstra mobile phone tower continues to fail. On top of a fairly dry season, we have now had storms and all the rain we needed earlier in the year, and that is causing enormous problems, but it also creates issues with infrastructure. Communities such as Wylie and Tammin and a number of others have had their communications out for up to 21 hours. That might sound like a mere inconvenience, but I can tell members that our entire emergency services system is reliant on being able to contact people by mobile phone. If there is an issue that needs responding to by

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ambulance drivers, fire and emergency services and State Emergency Service workers, we get a blast on an email. When the mobile phone tower is down, that is not possible. That leaves these communities incredibly exposed.

We could work with Telstra and the federal government to resolve this issue. As well as the issue of infrastructure that does not meet the expectations of the community, we have a problem across the state because Telstra has not maintained its infrastructure appropriately. A number of batteries cut out. Telstra tells us that this is because there are multiple outages on the Western Power network and that drains the batteries. When the power goes out, the battery is supposed to kick in and keep the mobile phone tower going so that people are not disconnected from the world when they are trying to deal with a crisis. The batteries run out and then it takes an enormous amount of time for the Telstra technician to get out there, hook it back up and restore the power and telecommunications. That is an enduring, frustrating and potentially dangerous issue for our community to deal with. That is not just an issue for Wyalkatchem; I think that, without fail, that is evident across most of the small communities within my electorate. I know it has been raised in Albany, I know it was an issue when the fires went through Esperance, and it is a challenge that I think we should be trying to deal with. It is an opportunity to apply some thinking with royalties for regions.

Fundamentally, telecommunications allow regional communities to go forward. They allow us to be safe and connected and people to run their businesses. Telecommunications are a fundamental that people do not think twice about. I can tell members that people in regional Western Australia all pay three or four times as much for the same amount of data. That is also a disincentive for people to come and live regionally. Surely, with the best and brightest, we could try to address some of those fundamentals, but again this issue cannot be addressed because we see this cost shift of funding into things like the community services obligation to the Water Corporation or the running of the orange school bus services. It has been pointed out to me in this house that that was funded by the previous government. That is not correct. I think that the previous government funded an upgrade to provide air conditioning in school buses that operate in areas where it regularly gets to above 42 degrees. It was not safe or appropriate for kids to be travelling for up to an hour in those conditions to get home. I think the funding was for seatbelts and air conditioning. It was a one-off project; it was not to run or subsidise the ongoing Public Transport Authority activity of supporting orange buses. It is really important that we have that service, but it is not something that royalties for regions should be paying for, yet that is what this government has decided. I presume that it has decided that it would prefer to spend the PTA budget on Metronet, instead of allowing royalties for regions to operate with some integrity. That is why we get angry. We get angry because we hear this government talk about \$1.5 billion city deals in the Perth metropolitan area or see investment in smart freeways or Metronet. We do not have any problem with expenditure in the Perth metropolitan area; that is not the issue. We do have a problem when it comes at the expense of the only regional development program that we have in Western Australia.

Let us get the basics right. I am happy for the government to spend money on roads in regional WA; that is what every government should do. Let us get the basics right in education and health; that is what every government should do. We should do that, but we have a fund called royalties for regions. The government went to the last election and said that it would keep that fund. It has kept it in name only. I think that people have woken up to that and to the disingenuous way that the government has behaved in rolling out this funding. It will come back to the government at the next election because when regional people lose faith, they are prepared to say that they do not agree with how the government is doing things.

The challenge for us is that I could go through a whole raft of issues or projects that I see as I travel around the state as the Leader of the Nationals WA in not only the electorates that we hold, but also the electorates that we do not. I would like to put on record that regardless of which seats we held when we were in government—the Kimberley is a case in point; it is very challenging for our party to increase our vote there—it does not mean that we do not give people the option. We will have an exceptional candidate at the next election but there is a longstanding tradition of the Kimberley not being held by the National Party. That does not mean we did not spend an extraordinary amount on those communities because they deserved it and there was genuine need. We spent time visiting them and trying to understand some of the dynamics, including whether we could use royalties for regions to try to create positive change and better outcomes.

Under the Labor government's stewardship of royalties for regions, it has cut a number of things, including the mobile phone and internet black spot program. The program has completely changed but those issues still exist. The boarding away from home allowance was also cut. I think it was cut purely on the basis that people believed it provided funding to those who should be able to afford it when, in fact, it is for families that have no other choice but to send their kids away because there is no school higher than a district high school or primary school in their region. They have to send their kids to Northam Senior High School and they board at Northam Residential College or to Moora Residential College; that is another project this government did not fund, and we had to get funding from the federal government to support it. That funding is incredibly important. We did not fund the whole lot but we said that we needed to make sure that the funding was extended.

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The community pools revitalisation plan is another example. Every health minister will tell members that having access to a swimming pool is exceptionally important from a health perspective, particularly for people in areas of the north west and remote and Aboriginal communities. I listened regularly to both Kim Hames and Roger Cook as Ministers for Health talk about the benefits of having access to a swimming pool for people in regional and remote areas. The program started because of feedback from the community about how we could make sure these really expensive pieces of infrastructure, which a small number of ratepayers are responsible for, did not just close because they became unsafe. How could we continue to provide that service?

There were also investments in the Water for Food program. There was a significant investment in expanding irrigated agriculture across the state, which was about job creation and innovation. Unfortunately, although the Wellington Dam project will have great mural on it—it is going to be amazing—there is no ability to use any of the water from the dam. That continues to come at an economic cost. We have not lost just the top-up on that project. Every year that we do not solve that problem, we lose more farmers from the Collie–Myalup–Wellington area and all the opportunities that come with finding a solution to the salinity there. A desalination plant was also involved in that project, which would have fed into the Water Corporation’s infrastructure and dealt with some of the drying climate issues that we face in that region. It is all gone. This Minister for Regional Development has taken her eye off the ball completely on that project, which is incredibly disappointing because there is federal government money for it on the table. That project could have had an extraordinary outcome, but it needed to be driven. It needed to be committed to. There were solutions in that project for forestry and we hear the Minister for Forestry talk about the softwood plantation. That was a multifaceted project that needed the minister, the members who were involved and all the stakeholders to be kept together and accountable—but that has not happened and, as a result, an enormous opportunity has been lost. We cannot fathom that the program can be returned in any format because there is no longer that space within royalties for regions because of the cost shift and the attitude this government brings to spending royalties for regions, which is to underspend and use the funds for budget repair.

That is not me saying that. It is from an analysis of the state budget numbers. The trust that is responsible for providing an annual report has, in black-and-white in its reports, stated that royalties for regions has been used for significant budget repair. That is a damning indictment on a program that should be a positive news story. It should create positive opportunities. We do not care if government members want to own it. We do not care if they want to get out there and tell everyone, “Royalties for regions paid for this!” We have no problem with that; we just want to see it used appropriately. Unfortunately, over the last four years, that has not been the case. The fund has dwindled and all but disappeared in anything that we can see. We now have evidence of that in the form of local leaders saying that they are incredibly unhappy with the way the government has used the program. We have known this for four years. It is very disappointing. All I can say is that, when regional people go to the polls in March next year, I hope they remember what it was like when they saw us in control of royalties for regions and they contrast it to what the Labor government has delivered over the past four years.

MR D.T. REDMAN (Warren–Blackwood) [4.35 pm]: Before I get to the motion, this is the first chance I have had to make a comment today. This week is NAIDOC week and I want to acknowledge this as a week to celebrate the very rich culture that Aboriginal and Torres Strait Islanders bring to our community. The 60 000 years of history here really puts the hairs up on the back of your neck. When we see people doing welcome to country playing the didgeridoo, it is not hard to take ourselves back into that history.

It is also Remembrance Day when we acknowledge those who have fought overseas in many conflicts and lost their lives. Today, I think we should particularly acknowledge the Aboriginal and Torres Strait Islander people who have been part of the wars, fighting for the freedoms that our nation so enjoys today.

I want to support the motion put in play by the Leader of the Nationals WA —

That this house condemns the McGowan government for its mismanagement of royalties for regions over the past four years, which has led to a fundamental loss of confidence in the program by regional communities.

I want to highlight that we are now nearly four years away from the 2017 election. We are now in a good position to describe what is fact—what has happened over that time. I have said before in this house and I will say it again: the Labor Party’s support for the royalties for regions program was one of the greatest cons of the election in 2017. Its support for royalties for regions was a great con. Now, as the Leader of the Nationals WA has rightly highlighted, regional people have woken up to that fact. The royalties for regions program meant 25 per cent of mining and petroleum royalties gave a dedicated extra into regional Western Australia. When the program was established in 2008, it was a unique point in history. It gave recognition to a significant part of the state and acknowledged that investment is needed to support the wealth-creating part of our state.

Of course, as the Leader of the Nationals WA has highlighted, over the last four years we have seen significant substitution into the royalties for regions program. I am sure that the member for Bunbury will stand up and run

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

the rhetoric that he has run in here in the past. We talk about spending money in areas that the consolidated account would not normally invest in; that is the appropriate place for royalties for regions money, but substitution has occurred whereby the royalties for regions funds are now being used for what has historically been funded by the consolidated account. The member for Bunbury has mentioned that schools have been funded by the consolidated account. It did fund some upgrades to schools when the year 7s went into high school. Royalties for regions funded that in regional Western Australia. That was a new investment, not an investment that was previously funded by the consolidated account. I think even Margaret River Senior High School was funded by royalties for regions because it was a new investment—a new school with a one-off fund. We will not buy the rhetoric that the member for Bunbury has brought to the table. He intimately understands it so he knows where it is at. That is clearly understood.

Over the course of the last Liberal–National government, some \$7 billion made a massive difference. For the first time, people in regional Western Australia could be somewhat aspirational about how they wanted to see their communities grow and develop. As time went on, we put in place a “Regional Development Strategy 2016–2025”. Members can still pick it up on the website if they google it. This government does not have a strategy for regional development; it has not put a strategy behind the investments that make a difference in regional Western Australia. The various blueprints underpin the regional development strategy. There are blueprints of investment and where growth and investment should be made to support growth in the nine development commission regions in regional Western Australia. I have here the blueprint for the Kimberley region. It is a substantial document that highlights the issues and opportunities that the Kimberley region presents to our economy and where we need to invest to make a difference. I found it interesting to read the goals on page 5 of this blueprint. It says —

At the heart of the Blueprint is a vision for the region and a set of measurable goals:

- In those areas where the region has a Comparative Advantage, the aim is to achieve ‘substantially above trend’ growth and development.
- In the region’s most significant areas of social disadvantage, the aim is to bring the region’s capacity into parity with normal trends that would apply for the nation or for Western Australia.
- A focus on investments that the region can drive in infrastructure, services, policy and governance that enable, support and shape change and transformation into the future.

They are clear objectives, clear goals and measurable goals to make a difference and support investment behind a strategy that makes things happen. The question we ask now is: what is the strategy of the current Labor government of investing in regional Western Australia? There is not one. Of the \$7 billion of royalties for regions investment of the last government, \$1 billion went to the Kimberley region, and rightly so. It supports the plan and the strategy.

Several members interjected.

The ACTING SPEAKER: Thank you, members.

Mr D.T. REDMAN: It is something that we are rightly proud of.

Several members interjected.

The ACTING SPEAKER: I am calling the member to order for, I think, the second time. Could members please not interject. I do not think the member for Warren–Blackwood would like interjections.

Mr D.T. REDMAN: It is clear that there was an overriding strategy for regional investments. There were blueprints that supported where those investments should be made to make a difference. Those blueprints were developed from engagement with local communities and businesses to support the social and economic infrastructure required in those communities. That is a plan that the Labor Party could have grabbed and run with. That is not what happened. In the period from 2017 to 2021, the first budget that the state government brought out, the 2017–18 budget, took \$675 million of royalties for regions funds out of the \$4 billion fund. That is 17 per cent. In the 2018–19 budget, \$1.178 billion was taken out of the royalties for regions fund. That is 29 per cent. In the 2019–20 budget, \$1.657 billion dollars was taken out of the \$4 billion forward estimates royalties for regions fund. That is 41 per cent. Of course, in the most recent budget, \$1.682 billion, or 42 per cent, was taken straight out of the royalties for regions budget. We see the trend over the course of the last four years, with the government having washed funds out of the royalties for regions program. That does not include the underspends identified in each of the state budgets over the last four years. We can then get a very clear appreciation of where this government’s priorities sit with royalties for regions in the state budget.

I did an interesting little exercise. I googled Metronet to see what would pop up. I have printed the page that popped up when I googled Metronet. People can just put in “Metronet”; they do not even have to put in “WA”. There is a Metronet homepage that refers to the Morley–Ellenbrook line, the Thornlie–Cockburn Link, projects, latest news and the Forrestfield–Airport Link. The next hit is the Wikipedia entry for Metronet. Then there is the Metronet Facebook page. There is a line called “Metronet—Project Details”. Another go-to point is “metronet—Project—Infrastructure Pipeline”. Then there is “Metronet—Department of Transport”. A whole page comes up with all this

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

data and information about investment in the Metronet project. What happened when I googled “royalties for regions”? First, I got “What is Royalties for Regions?” That is a question that pops up. It is still on the Department of Primary Industries and Regional Development website. If we go to that site, at the bottom of the page it says “2017”. The most recent bit of information under “News & Events” is from May 2018. That is what is on the first page of the royalties for regions website. Another website has an article “Royalties for Regions and the Missing Billions”. That is what I got when I googled royalties for regions. Royalties for regions is a forgotten project. It is just not there.

It was part of the government’s rhetoric going into the 2017 election. The government said yes, it supported royalties for regions, but over the last four years, substantial resources have been whittled away and the program is not there. If we google it, there is no royalties for regions information of any substance. Royalties for regions is a \$4 billion program and we cannot even get on to a homepage to understand what royalties for regions investments have been made. That is the legacy that this government is leaving four years after taking a policy to support royalties for regions to the 2017 election.

We will face the music of an election on 13 March next year. Every single member of Parliament comes up for their job interview and they have to face their constituency and answer questions about what they did, what they are going to do and how they are going to manage being a member of Parliament in support of their communities. All of the regional Labor MPs will have to face their constituency and answer questions about what has happened to royalties for regions. What is the answer going to be? If the answer is one of integrity, it is going to be, “We washed out over half of the royalties for region program over the last four years.” If members opposite are going to answer with integrity, that is what they will say. Otherwise, they could run a spin line and say that there is \$4 billion of royalties for regions in the budget, which there is, but, as the Leader of the Nationals WA rightly highlighted, it is in name only. It is not in a fund that supports the aspirations of regional Western Australians. There is a bit of a joke going around in the south west that there is not a South West Development Commission but a Collie development commission. Collie is going through a significant transition and rightly needs investment. I support that. I was there recently with Wayne Sanford, who is running for the National Party. He is a really nice fellow. I am looking forward to him taking a place in this chamber to support some investment in his community.

Mr M.P. Murray interjected.

The ACTING SPEAKER: Thank you!

Mr D.T. REDMAN: The point I make is that every regional MP will have to look community members in the eye and tell them what happened.

Mr M.P. Murray interjected.

Point of Order

Mr R.S. LOVE: I have a point of order.

Mr M.P. Murray interjected.

The ACTING SPEAKER (Ms S.E. Winton): Minister, please! Member for Moore, you are first.

Mr M.P. Murray interjected.

The ACTING SPEAKER: Minister, I call you to order for the first time. I am hearing a point of order.

Mr R.S. LOVE: I am trying to hear this excellent contribution from the member for Warren–Blackwood, but I cannot hear him for the somewhat loud and, I have to say, unintelligible contributions from the member for Collie–Preston. Could you ask him to be quiet, Madam Acting Speaker, so we can listen to the member for Warren–Blackwood.

The ACTING SPEAKER: Thank you, member for Moore; that is not a point of order. Minister for Sport and Recreation, I just ask you —

Mr M.P. Murray interjected.

The ACTING SPEAKER: There was no request for a withdrawal of remark. It is not a point of order. I am asking that we please hear from the member for Warren–Blackwood.

Debate Resumed

Mr D.T. REDMAN: I make the point that all regional members will need to face their communities at the March election and highlight what has happened with royalties for regions over the four years of this government. If they are acting with integrity, they will make it very clear that over the last four years the government has washed out well over half of the royalties for regions program, making a massive dent in the aspirations that those communities have moving forward. As the Leader of the Nationals WA put on the table, it is not us talking about this issue. Regional communities, through local government surveys, have said that they absolutely understand what has happened. They are going to call the government out. Government members will need to take their chances with their response to the hard questions about royalties for regions.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

I said to someone recently that when we first brought in royalties for regions, we engaged in a process to work out what we needed to invest in to support growth in regional Western Australia and have people making a choice to move to the regions. One of the outcomes of that was the blueprints, which gave a very clear understanding of where those investments needed to go. It was always a challenge. Our state planning policies in Western Australia give an understanding of what is happening with the population in WA. The population in metropolitan Perth is growing faster than the population in regional Western Australia. Right now, I think just under 80 per cent of the people who live in Western Australia are living in metropolitan Perth. By 2030, I think it will be 82 per cent. That is not a good outcome for our state. We want people to be moving the other way.

With the COVID-19 pandemic, people are moving the other way. People are making the choice to look at and consider—and make investments, I might add, because real estate agents in my electorate are setting records—moving to regional Western Australia. One of the reasons that they are doing that is about having space. Some people with comorbidities, who feel that they might be exposed to COVID, are choosing to move to regional Western Australia. I often make the point that if we wanted people to move, we should have just introduced a virus. It is probably a poor joke, but the point I make is that people are choosing to move to regional Western Australia. The Nationals WA and I are grateful that we made those investments to support that shift. A pipeline of property development has allowed people to invest particularly in the Pilbara region, which we know goes through boom cycles. We know that 25 per cent of royalties for regions was invested either indirectly or directly into the health sector. People have access to health services in those communities, including in the member for Collie–Preston’s seat, where \$8 million went into upgrading the hospital there. There have been investments into telehealth services, which the Leader of the Nationals WA mentioned. That meant people were able to access services during the COVID-19 lockdown period—services that they otherwise would not have been able to access online.

There have been many investments from royalties for regions. There was the investment to back up the Royal Flying Doctor Service, which has meant that people who live in the furthest part of our state from metropolitan Perth are only three hours away from the best hospital that we have. I am really grateful that we made those investments. I think it would have been an absolute tragedy to have not seen and embraced the opportunities that have come off the back of the COVID-19 issues that we have had. We do not want the COVID-19 issues, but they are here, and they are supporting the flow of people into regional Western Australia. That means that investment decisions to support the fundamental infrastructure needs of people living in regional Western Australia will need to continue. In communications technology, 340 or so mobile phone towers were set up. That happened because of an investment of \$105 million from royalties for regions. That is a fundamental, basic service of communication, which in many communities, including my community of Walpole, extends to emergency services responses. If the power goes down, the emergency services communications go down. As other members have mentioned, in many cases they are measuring downtime in days and not hours.

The royalties for regions program is a program that can support decentralisation. It supports fundamental infrastructure that is needed for people to live, work and invest in communities, which is a fantastic trend we are seeing now, pleasingly. If it were not for those telehealth services and hospitals, that would be a real pinch point for those communities in supporting rejuvenated interest among people to move to the bush.

I got very direct feedback from some very senior people in the WA Country Health Service that had it not been for those investments in telehealth and hospitals, our planning for a response to the COVID-19 pandemic would have been significantly limited. A person has come up to me twice, on different occasions at different events, and thanked me, because that investment has made a massive difference to our response to what is a very unique issue in Western Australia.

As we go to the 2021 election, we must have in our minds where royalties for regions was at when we fell out of government in 2017 and where it is at now, four years later, and what has happened in those four years. In the last budget, more than half of the program was washed away through substitution. Despite what we will hear from the member for Bunbury and others, people out there understand what is going on. They understand that they can no longer apply for and get resources to support things like health services, Ageing in the Bush projects, communications technology, community infrastructure, creative industries—which play a significant role in building communities—and agricultural services, which is a substantial regional industry in Western Australia.

The National Party has come to the table today with a motion that really puts the spotlight on what has happened over the last four years. It is massively disappointing. I am seriously concerned about the trend we have seen over the last four years as successive budgets have been rolled out. The first one took out 17 per cent of funds from royalties for regions, the next one took out 29 per cent, the next one took out 41 per cent, and the next one took out 42 per cent, not including underspends. If we include underspends, it washes out well over half of the royalties for regions program.

The Labor Party did a con job on the people of regional Western Australia during the 2017 election. It committed to royalties for regions. As it has played out, it has not committed to maintaining the integrity of royalties for regions. I ask this house to support this important motion because it puts a spotlight on what the McGowan government has been doing

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

with the royalties for regions fund. People in regional Western Australia are waking up to that. They understand what has been happening. We in the National Party support re-establishment of the integrity of that program so that people are able to support and maintain their aspirations for their communities wherever they live in Western Australia.

MR P.J. RUNDLE (Roe) [4.55 pm]: I also rise to support the Leader of the Nationals WA and the member for Warren–Blackwood, who made very good contributions to this debate. The motion is really about the integrity of the royalties for regions program and the scheme in general. I think there have been some good explanations of some of the programs—education, health and the like. Today I would like to take the opportunity to highlight some of the excellent investments in my electorate and also some of the investments that have not quite happened, which I have been a bit disappointed about. I think that that is part of the overall package we are trying to emphasise here today.

Firstly, I would like to congratulate Tom Zaubmayr from the *Kalgoorlie Miner* on the amount of the work he did to contact all regional local governments. He contacted 108 country local governments to try to ascertain what they felt about royalties for regions. Local governments are very much the focus when it comes to the distribution of royalties for regions funds. They can identify what category the money goes to and where it will be spent in a local sense. I congratulate him for that. Tom points out that more than three-quarters of the 97 council leaders who responded to his calls said that they were partially or completely unhappy with the Labor Party’s management of the royalties for regions fund. That is very telling. Only 13 local governments said that they were unhappy with the former government’s effort. It was a pretty interesting study.

I will now go on and look at the likes of Kalgoorlie. The City of Kalgoorlie–Boulder Mayor, John Bowler, has said —
... Labor’s efforts to keep some Royalties for Regions programs could not hide the party’s diversion of funds into consolidated revenue.

Mr M.P. Murray interjected.

The ACTING SPEAKER: Minister!

Mr P.J. RUNDLE: I can honestly say that if there is one person who understands regional WA, it is John Bowler. He knows what is going on in Kalgoorlie. He knows about the Labor Party’s diversion of funds into consolidated revenue. He understands the whole package, member for Collie–Preston, and he certainly identified —

Several members interjected.

Mr P.J. RUNDLE: As the member for Warren–Blackwood pointed out, I am also looking forward to seeing Wayne Sanford come in as the new member for Collie–Preston. He is a quality person. He is a former shire president. I look forward to him filling the vacuum that has been left by the member for Collie–Preston. He will be there. He will represent his constituents very well. We look forward to him joining the National Party after March 2021.

Mr D.T. Redman: There will actually not be a vacuum then—there is a vacuum now.

Mr P.J. RUNDLE: Time will tell. As Mr Bowler has said —

Mr M.P. Murray: I will put my money up now!

The ACTING SPEAKER: Are you taking interjections, member?

Mr P.J. RUNDLE: I am happy to take the minister’s money if he wants to throw it around.

Mr M.P. Murray: Here is \$300—three to one! Put it up and match it!

Mr P.J. RUNDLE: I will have to focus on that afterwards, minister.

Mr M.P. Murray: No! You’re all huff and puff!

Mr P.J. RUNDLE: My wallet is not quite as full as the minister’s by the look of it. I am not too sure what the context of the minister’s bet is, but, anyway, we will refocus on John Bowler, the excellent Mayor of the City of Kalgoorlie–Boulder. He is quoted as saying —

“Special projects to improve facilities and services that Perth people take for granted have not been there the last three years, ...

He is identifying what is happening in Kalgoorlie–Boulder. He said also —

... with booming mining royalties flowing into State coffers, R4R should be restored to its original design—investment above normal government spending.

That is the key. As the member for Central Wheatbelt and the member for Warren–Blackwood have identified, there has been good value in many aspects of royalties for regions, whether it be health, telecommunications, education, aged care or the like.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

The member for Bunbury and I have long had discussions about regional development. I remember when we were working together. At that time, he was the CEO of the South West Development Commission, and I was the chair of the Great Southern Regional Development Commission. A lot of that was good stuff. We obviously went to bat for our own regions, member for Bunbury, but we could also see the value of good projects. As the member for Warren–Blackwood pointed out, we all had our blueprint. The blueprints of the nine development commissions were very valuable documents. They gave us something to work from. It was all about local decision-making. While I am on that, I would like to acknowledge Bruce Manning, who was my CEO and a colleague of the member for Bunbury. Bruce has been well known as a fantastic CEO of the Great Southern Development Commission. I certainly would like to take this opportunity to recognise his efforts in the great southern from Albany to Woodanilling. He will be signing off shortly. When he was CEO, it was not just about Albany, as the biggest centre; it was about every single town in the great southern. I would like to congratulate him on his efforts over many years. I am sure all my colleagues in the National Party would like to do that also. Well done to him on a fantastic career in regional development.

I would like to make some comments about the annual reporting of royalties for regions funding. There used to be comprehensive annual reporting dedicated to sharing the outcomes of royalties for regions expenditure across regional WA. That has declined. We are now finding that that annual reporting is hidden in complicated budget documents, and we are struggling to pinpoint what is going on. There is a transfer and cost shifting into the consolidated fund. It is very difficult to see what is going on with the spending under the royalties for regions program. The key to the whole royalties for regions program was that it focused on addressing historical underinvestment in regional infrastructure and services, and, once that has been partially completed, spending money on improving to the next phase. It is about spending over and above the normal expectation.

I would like to talk about some of the projects in my electorate of Roe that have been very valuable for our constituents. I urge the government to switch back and get that decision-making happening at the local level. I am not here today to antagonise the member for Bunbury. I know that he is a part of it. He sees and he knows the value of local decision-making. He had his board members from Bunbury and Collie and the surrounding south west region. He had his blueprint, as we did in the great southern, and we made those local decisions. That is what I am worried about. Our development commissions are a shadow of what they were during that period from 2008 onwards. The development commissions were given funding, and that gave local governments a pathway to fund their local communities.

One of the things that upsets me most is that a lot of the phone calls that are now coming to my electorate officers and the like are, “Where can we apply for funding? We have lost track of what is happening with royalties for regions. We have lost track of the regional events scheme and the like. We are not sure how and where we can apply.”

Mr P. Papalia: The regional events scheme? Nothing has changed.

Mr P.J. RUNDLE: I am just passing on, minister, what is coming from my constituents about the regional events scheme, the regional grants scheme and the community chest program. Under the former Minister for Regional Development, the honourable member for Warren–Blackwood, who is sitting in front of me, there were plenty of those programs. He knew what was going on in each region, and he knew how important it was to those communities to get that money on the ground. It does not have to be a \$500 000 or \$4 million project; sometimes \$20 000 or \$30 000 can make a big difference,

Before I go on to some of the excellent projects, I want to point out one of the disappointments that I have had in my town of Katanning. I have a photo of the member for Warren–Blackwood, as the Minister for Regional Development at the time, at the playground at Katanning, with the chair of the Great Southern Development Commission, and the then member for Wagin, Terry Waldron, after they had announced the \$5.7 million Katanning early childhood hub. One of the children who was with the minister at the time was four years old. He is now 10 years old, and that project still has not got off the ground. Six years ago, the then minister announced that project. The funding of \$5.8 million was there. The foundations were there. The grader was smoothing off the site opposite Katanning Primary School. Everything was full steam ahead. But what happened? The now Minister for Regional Development, Hon Alannah MacTiernan, turned up in about April–May 2017 and there we are, still no further. It is quite disappointing. Mothers were getting ready for the early childhood hub when their children were going into kindy, preprimary and the like—those kids are now about ready to go into high school! This sort of thing is very upsetting to our community. The funding was there and the shire was ready to go. I will say that it is looking promising again. I congratulate the Shire of Katanning for its perseverance. I believe there is movement at the station, but, unfortunately, six years down the track. That is a real downer, from my perspective.

One of the other great spends of royalties for regions money, which I am sure the Minister for Tourism is well and truly aware of, is the Harmony Festival. I think the minister attended the festival last year. It was fantastic to see those five or six —

Mr P. Papalia: Was I the first multicultural minister to go? I think I might’ve been.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Mr P.J. RUNDLE: I think we had one or two ministers attend prior to that, but it was great to see the minister there in Katanning at the Harmony Festival. It is a very important multicultural event.

An opposition member interjected.

Mr P.J. RUNDLE: He is the Minister for Citizenship and Multicultural Interests; Tourism and the like. It was great to see the minister there in Katanning. Our multicultural community in Katanning has a fantastic Harmony Festival, and there has been support for that through the royalties for regions program. That is a positive.

Some of the other more global projects that I will mention are the patient assisted travel scheme and community resource centres, which are fantastic in our smaller communities. I always look at towns like Hopetoun and Ravensthorpe, where CRCs do a great job, as well as in many of the smaller communities throughout Roe. I know that the member for Moore is a great advocate of the Country Age Pension Fuel Card. We are certainly very proud of that program through the royalties for regions scheme. Many of our seniors right through the regions are very happy when their card arrives in the mail. The regional men's health program is another initiative that has such value. I want to compliment the likes of Ross Ditchburn and Justin Taylor, two local farmers who have both been great footballers and so forth in their time. They contribute to that program. They go out and talk to people in the regions. That program is very much appreciated and was very much supported in its infancy by royalties for regions.

Another project is the boarding away from home allowance. Our leader is very strong on that one and we are looking to restore it to its original idea, because I believe it has been run down. The funding has been pulled out. This is a project that the Isolated Children's Parents Association really appreciates—it pointed that out to me the other day.

A couple of final projects are in the town of Esperance. There was some fantastic spending of royalties for regions money in Esperance. When I walk along the Esperance waterfront in the morning, I see the plaque that the member for Warren–Blackwood unveiled. There was \$21 million spent on the Esperance waterfront. The community reckons it is the most fantastic spend of royalties for regions money that they have seen. That is certainly a real highlight for me. Esperance Primary School received \$10 million. There was \$18 million for hospital upgrades. Esperance Residential College received \$14 million for upgrades. It is a fantastic residential college that draws students from all over the place, including north of Kalgoorlie–Boulder. That is also a real highlight to me. The Esperance Indoor Sports Stadium received \$7 million. I was there in 2016 when the then minister, who is now sitting in front of me, announced that funding. I was there with Graham Mackenzie and others from the basketball community in Esperance. It was fantastic to see. The Minister for Sport and Recreation opened it recently, but, unfortunately, he forgot to invite the local member until five to five on the previous day; nonetheless, it is a fantastic —

Withdrawal of Remark

Mr M.P. MURRAY: We did not do the invite. The shire did the invites, thank you very much! I would like an apology, please.

Mr P.J. RUNDLE: The sports stadium is a fantastic —

Mr M.P. MURRAY: Would you like to withdraw that?

Mr P.J. RUNDLE: The sports stadium is —

Mr M.P. MURRAY: Would you like to withdraw that comment?

Mr P.J. RUNDLE: I will withdraw it if you like, minister.

Mr M.P. MURRAY: Thank you.

Debate Resumed

Mr P.J. RUNDLE: The sports stadium was a fantastic spend of \$7 million of royalties for regions funding. A TAFE is now being built in Esperance. I am very pleased that the government is continuing with that build; I think it is a great spend as well. Once again, I was there when the member for Warren–Blackwood and the member for Scarborough announced \$10 million each from their portfolios for that. These are examples of royalties for regions spending that have been fantastic.

MR I.C. BLAYNEY (Geraldton) [5.15 pm]: Over the summer, I spent a number of weeks going over press releases and royalties for regions information to itemise and add up what had been spent in my electorate.

A member: Was that in summer, was it?

Mr I.C. BLAYNEY: Yes. It is quite warm in my part of the world in summer, so sitting in your air-conditioned office is not a bad place to be.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

I have one folder with information on expenditure in the years of the Barnett government and another on what has been spent under the current government. I have to admit that I have to update the folder post budget—I have not done that yet. That job is awaiting the end of Parliament.

Mr K. Michel interjected.

Mr I.C. BLAYNEY: The member can interject as much as he likes because I cannot hear him.

Mr M.P. Murray: I have the same problem.

Mr I.C. BLAYNEY: Yes, we have something in common, minister.

Despite having been involved in royalties for regions all the way through those years, I was actually surprised at the volume of undertakings in Geraldton. We always said that it changed the face of regional Western Australia and it certainly change the face of Geraldton. The two projects that I had the most contact with were the community chess projects, which were small projects, and the regional grants scheme, which were bigger projects. I will walk through a few of them to show the spread of projects that were funded. The Mid West Ports Authority has started a small grants program of its own in Geraldton, and I know that other port authorities have done that. I suspect that part of Mr Bowler's problem is that his electorate does not have a port authority, because it does not have a port!

In Geraldton, the Wonthella Bowling Club received \$13 900 for shade replacement works; the Geraldton Volunteer Marine Rescue Group received \$5 000 for a radio over internet protocol; the Spalding Park Golf Club received \$30 000 for a street hydrant fire solution for the redeveloped club; the Geraldton and District Badminton Association received \$50 000; and the Batavia Coast Replica Boat Association received \$5 000 for replacement sails. Other funding included \$3 300 to Uniting Church Homes' Juniper Hillcrest Residential Care for hairdressing improvements; the Scouts WA's Wooree Scout Group received \$2 700 for hall improvements; and the City of Greater Geraldton received \$25 000 for grave restoration works at the Greenough Pioneer and Old Walkaway Cemeteries. ATLAS, or Access to Leisure and Sport, is an organisation that provides sporting facilities for disabled people and it received \$50 000. Chrysalis House, which is the women's refuge in Geraldton, received \$117 000 for building extension works. The Geraldton Universities Centre received \$138 000; the marine finfish research and development centre project received \$149 000; the City of Greater Geraldton Regional Library received \$300 000 for redevelopment works; and the Leaning Tree school development project received \$40 000. Chrysalis House received a further \$134 000 for its building extension, while the Eadon Clarke Sporting Complex received \$500 000 out of \$3.3 million, the Geraldton Regional Art Gallery received \$33 500 for art storage racks, and stage 2 of the marine finfish research and development centre project received \$248 000 out of \$599 000.

The Geraldton Cemetery board received \$65 500 for re-use water connection; the Geraldton Golf Club, \$94 500 for water facilities; and the Geraldton Turf Club, \$203 000 out of \$258 000 for upgrades. The Western Australian Institute of Skin Cancer Medicine and Rural Health received \$105 000 for the non-melanoma skin cancer register and research initiatives in Geraldton; Access to Leisure and Sport, again, \$10 000 for a universally designed challenge course scoping in Geraldton; Geraldton Lions Club, \$10 000 out of \$55 000 for a caravan; Chrysalis Support Services, again, \$123 000 for an upgrade to the women's refuge; the City of Greater Geraldton, \$43 500 for the midwest China Connect website; and Hope Community Services, \$185 000 for Mount Hill community farm, which is a drug and alcohol rehabilitation centre. Access to Leisure and Sport—ATLAS—again, received \$150 000. I have mentioned ATLAS a number of times because in the other place Hon Darren West has said that during the eight years of government, ATLAS did not get any money from the government. Bundiyarra Aboriginal Community Aboriginal Corporation received \$272 000 for Bundiyarra Muguri, Geraldton; Geraldton Cemetery board, \$109 000 for security fencing; Leaning Tree Community Schools, \$77 500; and Wandina Primary School P&C and Derna Park, \$149 000 out \$249 000 for a nature playground.

Most of those grants for projects in my community are now basically unavailable. When people come and ask me if there is anywhere they can get money, I send them to the development commission, but there is literally no funding there for those projects.

The other problem in old regional cities, such as Geraldton, is that they have a lot of old buildings. It is really, really hard to get money to fix up old buildings. The National Trust of Australia and organisations like that have very little money to give away every year so for a lot of these projects, as I said, there is nowhere else to go. Sometimes royalties for regions funds were used to cover 100 per cent of project costs; other times, money came from other places. It is catalyst money. If people could say that they had X dollars available from something like royalties for regions, other people would put money into their project as well, because a lot of organisations and government bodies work that way these days. Some of the projects were funded 100 per cent by royalties for regions, including the foreshore works in Geraldton, the TAFE facilities and the Geraldton Universities Centre facilities. Like most other regional areas, Geraldton had an investment plan of \$220 million set aside, which was part of the midwest investment plan for 2011–12. It was being very carefully allocated. When there was the change of government, I understand that somewhere between \$70 million and \$80 million of the fund was still in the account, and of course,

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p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

it was pulled back into central Treasury, which John Langoulant assured me was the normal thing to do. That money was allocated, but the paperwork, if you like, had not been finished. There was a grant of \$20 million to upgrade the Geraldton Museum, around \$20 million to the road between Meekatharra and Wiluna, about \$17 million to work on Abrolhos Islands and the rest to go into the development of Geraldton Health Campus.

The royalties for regions fund paid for some once-in-a-lifetime projects. Unless there is a special fund like royalties for regions, those projects do not happen. Members who know Geraldton would know that there is a major intersection in the industrial area of Geraldton, the Place Road–Flores Road intersection. Redoing that intersection cost a total of \$7.3 million, and royalties for regions provided \$2.8 million of that. The Geraldton Universities Centre stage 2 buildings cost \$3 million, and that was 100 per cent royalties for regions money. Developments at Geraldton Airport received \$2.755 million. The Building Better Regional Cities program, which the city council and Rudd government put money into, received nearly \$14 million from royalties for regions out of \$29 million. Geraldton has the oldest railway station in Western Australia. It was restored and turned into a tourist centre. Royalties for regions provided \$1 million out of \$1.85 million for that project. The city council and federal government also put some money into that project. Work at the Geraldton Residential College was funded \$2 million out of \$2.6 million by royalties for regions. The new Foodbank building in Geraldton received \$2.14 million out of \$3.29 million from royalties for regions.

On the Wonthella Oval lights, I remember one of the members of the Towns Football Club, which I happen to belong to, said to me one night, “We’ve been trying to get these 500 lux lights at this oval for 40 years.” He said that they had checked and ovals in Broome, Port Hedland, Karratha and Bunbury had lights and the oval in Albany was getting them. He asked, “Why can’t we have 500 lux lights?” I said, “Right, that is something I’m gonna do. We’re gonna get these lights.” In the end, royalties for regions provided \$590 000 for that \$1.5 million project. Others that contributed to that project include the AFL, which gave us \$100 000, and the City of Greater Geraldton, the Department of Sport and Recreation and the Great Northern Football League. As I said, quite often, when people start to try to get money for projects like the Wonthella Oval lighting, the first money they get is from royalties for regions. They then have to find other money, but other people see that they have royalties for regions money and are prepared to come in. I do not know how many other regional cities have got money directly out of the AFL, but I suggest to members that there are probably not many.

The Monsignor Hawes Heritage Centre in Geraldton received \$1.5 million of a total project cost of \$7.1 million, because it was restoring the Roman Catholic cathedral at the same time. For that, the locals had to raise \$3 million. Believe me, it is not easy to fundraise \$3 million for a project like that. The Central Regional TAFE services hub received \$2 million for a \$3 million project. The Geraldton Cemetery board received \$1.3 million of a total project cost of \$1.46 million for capital works. That was for a hall next to the crematorium. Once again, people in Perth take it for granted that if they go to a service at a crematorium, they can probably go straight next door to have a function. Rather than going somewhere else like a pub, they can have it all there. We got one, but the only reason we got one was because we had royalties for regions funds.

The Beresford foreshore coastal protection enhancement project that Minister Saffioti opened a while ago received \$12.7 million from royalties for regions for that \$23 million project. As it was, because of the downturn in the mining sector, the tenders for that project came in way under what had been budgeted for it. Minister MacTiernan gave us a commitment that money would stay in the midwest and has agreed to spend \$3 million of the money left over to build jetties to service the ferries that go to the Abrolhos Islands. I have not come across any royalties for regions money in Geraldton that one could say was wasted. All the projects were done thoroughly and properly.

If members want to look at royalties for regions projects, the statewide projects are interesting, including the Country Age Pension Fuel Card and the mobile phone project, which, seriously, made an enormous difference. I think royalties for regions funded 100 per cent of the \$94.5 million police and emergency services communications project and provided funding to air-cool all public schools. It funds the police officers regional incentive scheme, KidSport, the Regional Telecommunications Project, regional visitor centres, the National Rural Generalist Pathway, the boarding away from home allowance increase, the telecentre network and the regional pools program. All these things make a difference in communities. To be quite honest, as I was saying to someone today, some people live in local government areas in Perth that have literally a couple of hundred million dollars sitting in reserves in their accounts, and I think the City of Joondalup is one of them. That is an impossible dream for, I think, every local government in regional WA. They just do not have that sort of money.

Sooner or later, we will be back in government and one of the future projects in our area that we are looking at, as we have announced already and that we will support, is a midwest rescue helicopter that will cover the area from Badgingarra to Shark Bay and the Abrolhos Islands out to Mt Magnet. That has captured the locals’ imagination. They can see the value in that. There are not a huge number of people in the midwest, but there are a lot of people —

Mr D.T. Punch interjected.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Mr I.C. BLAYNEY: Member, we have allocated \$30 million over five years.

Mr D.T. Punch: What happens at the end of five years?

Mr I.C. BLAYNEY: Then it will have to be self-sustaining, hopefully.

Several members interjected.

Mr I.C. BLAYNEY: I am a hardworking local member; I do not have the member for Bunbury's extensive knowledge.

Point of Order

Mr R.S. LOVE: I do not think the member for Geraldton is seeking interjections, and I ask that the member for Bunbury desist.

The ACTING SPEAKER (Ms L. Mettam): Member for Geraldton, are you seeking interjections?

Mr I.C. BLAYNEY: No; not at all, thank you, Madam Acting Speaker.

The SPEAKER: Member for Bunbury, can you please allow the member for Geraldton to speak.

Debate Resumed

Mr I.C. BLAYNEY: We have allocated \$50 million to coastal erosion, which will be available on the basis of a one-to-one allocation, so it will have to be matched. For the regional cities program, \$250 million is allocated over five years, which is competitive. One of the really good things about royalties for regions is that decisions are made locally. We did not have to go to Perth and beg to some bureaucrat who usually could not care less whether we lived or died, or were there or not. We were asked quite regularly, "Why do you live in that place anyway?"

The Mid West Development Commission did an exceptional job of allocating this money and seeing it was spent properly, which is why money was left in the accounts when the government changed. As the local member, one of the things I am constantly being asked is: what replaced it; where can we get this sort of money? We have an organisation in Geraldton called the Friends of Geraldton Gardens, which wants to build a botanic garden. It has started doing that; it is an ideal royalties for regions project. It is a smallish amount of money that would build a really good long-term community asset. The Mission to Seafarers needed some money, but unfortunately it did not qualify under royalties for regions because it serves only foreigners. It needed funds, but could not get them anywhere. The Towns Football Club, which now has its lights, cannot have an Australian Football League match until it has proper coaches' boxes. It has nowhere to go. The hockey ground needs new artificial turf and it has nowhere to go. We need money for the basketball stadium, but once again, it may be able to do it itself. I think it was an exceptional program.

I will acknowledge a program, if I may. I usually get invited to the announcement of the Regional Economic Development Grants scheme, which the Mid West Development Commission is running now. The RED scheme is quite different; it is an entrepreneurial sort of program. Its aim is to give someone with a good business idea a bit of extra money to get them over the line, if you like. I have been to most of the RED scheme announcements. I give credit where it is due; I think it is quite a good program. I always find it interesting to see who is being funded and what they are doing. They tend to be youngish entrepreneurial people, who are the sort of people who generate jobs. The whole basis of the RED scheme is to get new enterprises going so they can employ people. It is not a huge amount of money but the commission might find it gets a good bang for its buck out of that money. I think a renewed royalties for regions program would include something like a RED scheme, because, as I said, I think that in a small way, it is doing a good job.

That is the end of my contribution.

MR R.S. LOVE (Moore — Deputy Leader of the Nationals WA) [5.34 pm]: I believe there was an arrangement that the opposition would have a couple of hours, and then other members would have a chance. That was the agreement, which, obviously, the member for Bunbury was not prepared to honour, but we will press on. I wish to make this contribution on this excellent motion.

Mr W.J. Johnston interjected.

Mr R.S. LOVE: The minister will have his chance later.

The ACTING SPEAKER (Ms L. Mettam): Minister, the member for Moore jumped to his feet first.

Mr W.J. Johnston: I am not disputing your call.

The ACTING SPEAKER: Sorry.

Mr W.J. Johnston: I am saying how stupid the National Party is because this is pointless.

Mr R.S. LOVE: Thank you, minister. The minister does not have the call. I ask you to ask him to wait his turn.

The ACTING SPEAKER: I think we will proceed with your contribution, member for Moore.

Mr D.T. Punch interjected.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Mr R.S. LOVE: I will stay and listen to the reply because I am always very interested in what the government has to say about royalties for regions. The brazenness of a government that has absolutely smashed this scheme never ceases to amaze me when it talks about royalties for regions as though it somehow exists or is something it values. It is incredibly thick-skinned of the member for Bunbury to sit in his seat and shout at me when he knows very well the contribution royalties for regions made over many years when he was intimately involved as a public servant in its delivery. To consistently trash the contribution of royalties for regions over the years is a disgraceful effort on his part.

Mr D.T. Punch interjected.

Mr R.S. LOVE: We ask that he wait his turn now.

As we know, this motion condemns the McGowan government for its mismanagement of royalties for regions over the past four years, which has led to a fundamental loss of confidence in the program by regional leaders.

Mr D.T. Punch interjected.

Mr R.S. LOVE: Thank you. Can the member for Bunbury sit there quietly for a moment?

The ACTING SPEAKER: Member for Bunbury, the member for Moore has indicated he is not taking interjections, so can he be heard in silence.

Mr R.S. LOVE: Thank you, Acting Speaker, it is very good of you to protect me from the member for Bunbury.

As we know, the Leader of the Nationals WA has outlined the results of a survey of regional leaders undertaken by the press in the Kalgoorlie area. That has led to an understanding of just how poorly mismanaged the program is by this McGowan government. Many, many regional leaders have lost confidence in the management of royalties for regions.

It is on the basis of that feeling, which is manifestly expressed in that survey, that we have come to the house with this motion today. What is mismanagement? I suppose we could say mismanagement is when we mismanage a \$1 billion-a-year program that has delivered unprecedented community economic development right across regional areas and right across the state. As has been said in this place today, regardless of which seat we held, we could participate in royalties for regions. It did not matter where people came from: Mandurah, Dawesville, Geraldton, Moore, Bunbury or the Kimberley. They benefited from a huge amount of investment. When the Pilbara was held by the Labor Party, a huge amount of money was spent during the previous government when the Nationals had carriage of the royalties for regions program. It was a huge amount of money because it is obvious that it exhibited in stark detail a lack of concern and care for a region that had contributed so much to the state's economy for many years. Very little care had been shown for the people in the communities they lived in and their facilities. Accommodation was stretched. People were virtually living in car bodies and they were camping out under trees. There were almost no facilities for recreational support of any nature. The Nationals in government turned that around well before there was a member in the Pilbara area; well before we even considered the Pilbara might be one day held by the Nationals. It is our fervent wish that the Pilbara will once again be represented by a member who is strong, has at their heart that community's best interests and knows how to go about protecting and developing the interests of the Pilbara. I hope that in March the people of the Pilbara turn out in big numbers to vote 1 for Scott Bourne, so that they get the strong representation they have so sorely lacked over the last four years. Has anybody actually heard from the member for Pilbara in this place? No. We rarely even see the member for Pilbara in this place, let alone have him make a strong contribution like the contribution that Scott Bourne will make if he is elected in March next year. That would be a turnaround for the people of the Pilbara. They will see strong representation. They will see someone standing up for them.

Several members interjected.

The ACTING SPEAKER: Minister for Tourism!

Mr R.S. LOVE: They will be represented by someone who actually knows how to put the case for what is required. He knows what is fundamentally required for the Pilbara. He lives in the Pilbara, he understands it intimately, and he will represent the Pilbara in a way that has not been done in the last four years. We will see that replicated right across the state.

Mr W.J. Johnston: Fifty bucks on Kevin Michel! Come on; put your money where your mouth is!

The ACTING SPEAKER: Members!

Mr R.S. LOVE: Why is the minister waving money around? Is the minister trying to make a donation to the Nationals WA?

Several members interjected.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

The ACTING SPEAKER: Members! The member for Moore has indicated that he is not seeking interjections. Can we all hear the member for Moore in silence as he completes his speech.

Mr R.S. LOVE: I thought it was actually an offer of a donation towards the campaign for the Nationals in the Pilbara, because certainly that would be a good way to get good representation for the Pilbara. Vote 1 for Scott Bourne, vote 1 for strong representation for the Pilbara, and let us get rid of the poor representation that has occurred over the last four years in the Pilbara!

Several members interjected.

The ACTING SPEAKER: Minister!

Mr R.S. LOVE: We want strong representatives right throughout the regions. We want the member for Geraldton to come back and represent Geraldton for the next four years. He has been a strong advocate for his community over the past terms of government. He will continue to be a strong advocate for his community. In March, if the people of Geraldton want strong representation, if they want royalties for regions delivered into their community, if they want to be represented by a Nationals member who lives in their area and whose party has representation of the regions at its very core, then they should vote 1 for the member for Geraldton. People should vote for Ian Blayney in Geraldton in March next year. While they are there, they should cast their vote to support the very, very strong candidate that we have in the Agricultural Region, Natasha Colliver.

The ACTING SPEAKER: Excuse me, member for Moore; the member for Bunbury is raising a point of order.

Point of Order

Mr D.T. PUNCH: Madam Acting Speaker, this sounds more like an election trail campaign speech rather than someone actually talking to the motion. Can you please ask the member to return to the motion?

The ACTING SPEAKER (Ms L. Mettam): Thank you, member for Bunbury. I do think that the content relates to the thrust of the motion and I do not believe that is a point of order.

Debate Resumed

Mr R.S. LOVE: Thank you, Madam Acting Speaker. Of course, you are absolutely right in your judgement. We are talking about putting an end to the mismanagement of royalties for regions under this government. The way to do that is to elect members of the Nationals. Voters in Geraldton should vote 1 for Ian Blayney and, while they are at it, they should cast a vote for that very strong advocate for the Geraldton region who has put her name forward, Natasha Colliver, and ensure that she gets to take her place in Parliament and represent the people of the Agricultural Region. I know that she will do a fantastic job when she is put into this place by the people of Geraldton, Moore, Central Wheatbelt and Roe, because they deserve the sort of contribution that she will make to their futures.

We have heard about the mismanagement of this government. We know that the \$1 billion-a-year program that used to be provided—all the unprecedented infrastructure, support, economic development and community development programs—has been largely trashed. We know that hundreds of millions of dollars are now being spent every year on what we would call substitutions. The royalties for regions program is now paying to provide water to communities. I cannot think of a developed country on Earth that does not have a water supply scheme for its people. I do not know why in Western Australia, uniquely in Australia, a program that is dedicated to regional development is asked to fund people's fundamental right to have fresh and clean water when they turn on their taps. That is just bizarre. We have seen the funding that has been given to services such as school buses, and we know, too, that huge amounts of money have been underspent and returned to Treasury every year. As the custodians of royalties for regions, we knew that we had to factor in that underspend and keep programs rolling. This government has let programs peter along and peter out, which has meant that it can return all that money back to Treasury, because if the money is unspent, it hits a cap and flows back to Treasury. That is the way the fund was set up. That was the fail-safe mechanism to protect against large amounts of money sitting inactive in the program. The government is using that mechanism in a perverse way, not to keep the fund going, but to actually stymie and throttle the fund and take away some of those things that we know we need in our communities.

We have heard about programs such as the community chest. That is an obvious example of how royalties for regions was being delivered into communities. That program delivered small grants to community groups that had an aspiration to develop a program or project or to help their communities in some way or to help their communities grow. That program has now gone. We have also seen the branding for royalties for regions disappear. When we visited projects that were delivered by royalties for regions, we used to see the royalties for regions symbol of the very elegant little green and yellow strongperson. I only see that now in places where some cheeky people who know the value of that scheme keep putting those signs up. I do not know who those people are, but I thank them for keeping that recognition of the scheme going.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

This is not careless mismanagement; it is deliberate mismanagement that is aimed at destroying the reputation and recognition of the royalties for regions program. The McGowan government is trying to characterise it as simply state government funding instead of a special program for special purposes to provide for the aspirations of communities. In doing so, the government is trying to destroy those communities' aspirations for the future and take away their ability to access royalties for regions funding. Community chest is an obvious example; the regional grant scheme is another. That was a scheme for slightly larger projects. It provided an avenue for every group that needed up to \$300 000, I think it was, for a program. Those groups could put forward their schemes, and decisions were then made by the local development commission. This is the important part: a lot of these decisions were being made at very local levels. The local development commissions in the wheatbelt, midwest, south west, great southern, the Pilbara, the Kimberley and the goldfields could make those decisions and allocate funding to programs that they knew would make a difference in their communities. That was local decision-making, as opposed to the monolith called the Department of Primary Industries and Regional Development, which has had the agricultural, fisheries and regional development departments shoved into it. It has done away with local empowerment and stripped the development commissions of any real role or capacity to make any judgements and of everything that was needed to ensure that we had strong, local decision-making. It has centralised that decision-making in Perth, and, in doing so, has further helped to encourage the destruction and eventual demise of royalties for regions, which is this government's aim. That is what we are seeing happen.

To counter that type of thinking, we need strong regional members. We need strong regional advocates who are not going to come to the city and find themselves in a room in which they owe their position and advancement to the support of a much larger group of people who are all based in the city. We see that type of arrangement in both the Liberal and Labor Parties. People need a good local member. An example in the past may have been the member for Collie–Preston. I do not know; he may have been a good member at one stage. I am sure he has been a good member over the years, but he is only one small part of a much bigger whole. It is the whole of caucus that makes the decisions, not the few country members who may struggle over the line occasionally, and that makes a big difference. If a party thinks about nothing else except the advancement of regional Western Australia, there is an energy and a capacity to drive the development of the regions. That is lacking in both of those bigger parties. We see that with announcements from their leadership.

I remember that on the Wednesday before the last election, it was announced that the Liberal Party would cut \$800 million from royalties for regions over two years. That announcement was made by a city-based party when it was facing some difficulty in making budget decisions. It decided to cut royalties for regions. I have a report from 11 April 2017, soon after the Labor government was elected, in which some announcements were made by the Minister for Regional Development, Hon Alannah MacTiernan, with the member for Mandurah. It is about making sure there would be fewer ribbon-cutting opportunities, stating that town beautification projects would not be funded and it stated that too much was being spent on amenities. We can read that as too much was being spent on royalties for regions. It did not take too long; I think it was less than a month after the election. In opposition, the then leader of the Liberal Party announced an ending to the royalties for regions program. An article states that the member for Central Wheatbelt stood up very strongly for royalties for regions to ensure that that did not happen. Country people need to be assured that if they want a strong advocate for the royalties for regions program, they really need to support regional-based candidates who come from their communities. Delma Baesjou in Albany and Louise Kingston on the south west ticket down there are examples. These two strong women are strong advocates and have put forward their names to commit to representing their communities. Again, if the people of Albany and the south west want good representation, they can look no further than Delma Baesjou and Louise Kingston.

The member for Collie–Preston made some interjections and threw some money around earlier on. We know he is retiring and we all look forward to listening to his valedictory speech in the near future. With his retirement, there will be a change of representation for Collie and a very real choice for the people of Collie. Wayne Sanford has put forward his name. He is a very strong local advocate who is very well-connected in his community, in local government and business from representing the community over many years. He is an excellent choice for the people of Collie. I am sure that Wayne will represent Collie and they will vote 1 for Wayne Sanford in March.

I will now look at Kalgoorlie. Kalgoorlie is a very interesting place. It is a unique community with a unique history and a unique set of issues. It is a mining community—the oldest one up there—and the biggest outback city in Australia. It has all the attributes of a city but, with it, a lot of the issues that come from being in a mining area, including a lack of community infrastructure and things that people would normally think they would find in a community of that size. It needs a strong advocate. In Rowena Olsen, people will find a very strong advocate for Kalgoorlie. She is someone who will step up to the plate and represent Kalgoorlie in such a great way. In March, if people in Kalgoorlie want a strong advocate for royalties for regions and strong representation for their area, they should vote 1 for Rowena Olsen. They should also support Nick Fardell, our excellent candidate in the Mining and Pastoral Region. He roams far and wide across the mining and pastoral area, everywhere from the Kimberley to the

coast down at Eucla. People will find him in his old LandCruiser, getting around and spreading the message about royalties for regions and his support for regional Western Australia, which is what we all aim to do after we get rid of the oppressive regime we have at the moment and return royalties for regions to its glory.

While I am talking about why it is so important to have royalties for regions, I will mention a few of the projects that have and have not been funded over the years. A little while ago, the member for Geraldton, the member for North West Central and I visited Kalbarri. It is an area that I have had the pleasure to represent over the last eight years, but it will be moving to the seat of North West Central. We hope that the people of North West Central vote in big numbers for Vince Catania so that they can have a very strong representative for Kalbarri. The member for Geraldton and myself, along with Vince Catania, visited Kalbarri a little while ago and we got a sneak peek at the new skywalk before it opened. It is so beautiful. It is there because of the “Mid West Investment Plan 2011–2021”, the Mid West Development Commission’s clear thinking, the support of this former Minister for Regional Development, Hon Terry Redman, and the support of royalties for regions. They are the reasons that wonderful project was developed and has been delivered. It is not because the current Minister for Environment is the current minister or because the current Minister for Regional Development is the current minister; it is because of a program put in place by the former government, this former minister and that former development commission, which has now been stripped of all its funding abilities to drive its community. The project has resulted in a wonderful facility, which is bringing many tourists to the area.

MR D.T. PUNCH (Bunbury) [5.56 pm]: I would like to start by agreeing with the member for Warren–Blackwood that it is important to acknowledge this as NAIDOC week. I also acknowledge that it “Always Was, Always Will Be”. I think it is important to remember that on this day, and equally important that we acknowledge the veterans. I acknowledge that, member for Warren–Blackwood.

For the last half hour, I have listened to what was essentially a sales pitch for the Nationals WA. Unlike what the member for Moore asserted, I do not intend to stand here and trash royalties for regions. In fact, I do not think I have ever trashed royalties for regions in this place. The McGowan Labor government recognised the value of royalties for regions, embraced it and confirmed that it would continue under a McGowan Labor government. I do not think that is in dispute. But what is in dispute is the administration of royalties for regions and the role that the hypothecated fund has placed, certainly taking this state to the brink of bankruptcy back in 2017. It needed to be better managed. The member for Moore talked about the definition of “mismanagement”. Its definition, certainly in a corporate sense, is all about wrongdoing—inappropriate doing—but really, the member for Moore was referring to mismanagement in the context that the McGowan Labor government is not doing what the National Party wants it to do. The National Party does not agree with the way we spend the fund or how we spend it, even though, at the end of the day, it is still taxpayers’ money. As part of this government’s commitment to regional Western Australia, in this financial year coming, we are rolling out the largest ever spend for regional Western Australia’s infrastructure. The infrastructure is going to leave a lasting legacy for the people of Western Australia, improve health, improve safety, improve educational outcomes and improve job opportunities—all the very outcomes that I know are reflected in the regional development plan that the National Party commissioned in 2016, eight years after it had been spending royalties for regions funding. I will come to that shortly.

I want to go back over a few comments made by the members, just to correct the record. The member for Central Wheatbelt referred to the concept of regional development commissions being weakened under this government. I remember the Duncan review in 2010, “Structuring Regional Development for the Future: A Review of the Functions and Responsibilities of Regional Development Commissions”. The key recommendation from the Duncan review was to replace all nine development commissions with one central, metropolitan-based regional development commission alongside a regional development department. Why would we need to have two centrally based organisations, funded through the taxpayer, duplicating effort and causing tension? The government of the day rejected that report and I think it was because there was a bit of a backlash from the regions. Over the ensuing period, the Department of Regional Development gradually increased its influence. There was a great deal of tension about how to spend \$1 billion dollars a year, making sure it went to meaningful and appropriate projects.

I do not take away from the fact that there were a lot of meaningful projects. But ultimately, at the end of the day, to cope with the diverse issues that were being presented to the minister of the day, there was a clear framework in which all regional development proposals went through the department and were signed by the director general. At that point, regardless of what legislation says, regional development commissions became advisory bodies to a central department that then reported to the minister, so I do not know how the member for Central Wheatbelt can complain when this government has formalised that arrangement and made it far simpler by reducing the back-office functions of regional development commissions and centralising the administration, but still leaving those boards in place with a very strong role reporting directly to the minister. It is quite fallacious to argue that regional development commissions have been undermined by some sort of strategy of this government to gradually whittle away at royalties for regions. That is not the case.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Another issue that the member for Central Wheatbelt raised was the views of local governments. Local governments look to any source of funding. I remember when the country local government fund was withdrawn by the Liberal–National government in 2015 and the deep despair of many local governments that had put plans in place. Some had half-completed projects and the rug was pulled out from under them overnight. There is a sense of innocence that comes from the National Party on these issues, but those are the facts of the matter.

I come to the member for Warren–Blackwood. He spoke about the initial legislation governing royalties for regions being 25 per cent of mining royalties. He knows full well that between 2008 and 2013, GST revenue was going down and royalties were increasing, so there was this funny pressure on state revenue with essentially a decline of funding that could go into consolidated revenue and support all services across government, but an increase in the revenue going straight into a hypothecated fund that could no longer support the core functions of governments under the agreements between the National and Liberal Parties. In 2013, that led to the cap of \$1 billion being put in place because of the increasing pressure that royalties for regions was putting on the budget. We come to this first point of substitution, and members know I have raised this matter in the past and I will continue to raise it. In 2013, royalties for regions funded the consolidated revenue component that funded regional development commissions and the Department of Regional Development. That is a straight substitution of funding, and it was done because of the increasing pressure on the budget at that time and the fiscal issues the government was facing. I understand why it was done, but I do not understand why the National Party continually talks about substitution when it started it, and it started it with projects such as the low-level Gascoyne River bridge. The Regional Development Trust, of which the member for Roe was a member at the time, signed off on its report acknowledging its concern that the National Party, as part of government, was now involved in substitution of funding for consolidated revenue. That is what happened.

I note that the member for Warren–Blackwood mentioned the regional blueprints, and quite rightly. I was a part of those blueprints, but they came at the end of 2015–16 when royalties for regions had been spent for a considerable time. It was clear, certainly from reviews such as the Langouant review, that there was a complete absence, and that was really an after-the-fact attempt to put some sort of strategic infrastructure around the expenditure of royalties for regions. The member talked about mismanagement. I can remember all the phases of royalties for regions. There was the sudden rush to a grants program without a real clear focus of what the outcome should be, driven by regional development commissions. Then there was a withdrawal of the grants program back into one statewide grants program. Then SuperTowns was suddenly announced, with nobody quite knowing what that program meant and a lot of after-the-fact design of that program. Royalties for regions lurched from program to program in an attempt to try to put some structure around the fundamental question of how to spend \$1 billion or more a year in a meaningful way. I totally support the notion of the whole structural issue around planning and having the strategic direction that was put in place, but it was put in place at the end of the royalties for regions' period under the coalition's administration, not at the beginning, when it should have been.

I just wanted to set the record straight on a few of those components, because they go to the heart of the disingenuousness of the criticism of our government's management of royalties for regions. I hoped this afternoon that we could have had a much more mature debate about the role of royalties for regions, which is taxpayer's money, in the future and how we can overcome this sort of debate we have continually in this place by which the National Party says to us that we are mismanaging the funds and we are not doing the right thing, and we have to defend ourselves, rather than the National Party having some clear policy focus about the future and saying how we might address the important issues and challenges facing regional WA, which this side of the house considers all the time going into the future. As part of that, I note again that this government's commitment goes well beyond royalties for regions. As the member for Moore said, royalties for regions was a brand. The National Party kept sticking green signs up all over the place branding things as royalties for regions, but in essence it is much more than that. It is about how any state government of any persuasion can best address the needs of an incredibly diverse and multicultural state with enormous challenges of how remote communities can be supported. The blind ideology of royalties for regions that the National Party pursued and the tensions it built up with its Liberal colleagues in the government, who incidentally have all left the chamber —

Mr W.J. Johnston: Some of them have gone home.

Mr D.T. PUNCH: Yes, some of them have gone home.

That just shows how much they take for royalties for regions. We know that if there should ever be a Liberal–National government in the future, the Liberal Party will not make the same mistake twice. It will have its hands firmly on the lever.

The way that royalties for regions was managed wreaked havoc on the budget. I do not need to say that. In 2013, the Chamber of Commerce and Industry of Western Australia called for changes to the royalties for regions program pointing out that while revenue going to the fund had been steadily rising, GST payments to WA had been falling and it could see the looming threat to the state's fiscal position. The CCI could see that there was a train wreck coming

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

and it called on the government of the day to do something about it. What did the then Leader of the National Party, Hon Brendon Grylls, say? He said —

“Until my last dying breath I will defend Royalties for Regions ...

It is no good defending royalties for regions when the state is going bankrupt.

Mr R.S. Love interjected.

The ACTING SPEAKER: Member for Moore!

Mr D.T. PUNCH: The Nationals WA had the opportunity to take corrective action —

Mr R.S. Love interjected.

The ACTING SPEAKER: Member for Moore! I call you to order for the first time.

Mr D.T. PUNCH: The only opportunity it took, which it now denies, was to move all the structural arrangements through development commissions in the department from consolidated revenue into royalties for regions and then set a cap on royalties for regions. The Nationals WA started that process because it recognised in some small way that it was not going to be totally sustainable. Then, of course, recently, there was the Langoulant report. I want to quote ABC news. There were some very interesting comments on ABC news. One article states —

The Ray Finlayson Sporting Complex was cited as an example of waste in public spending, where good governance practices had broken down.

“A \$16-million project. Did we need it? Probably not,” City of Kalgoorlie–Boulder —

Local government, members —

chief executive John Walker told the inquiry.

“We had quality sporting fields already. But because there is a lot of money there, it had to be spent.”

That sums it up.

I want to go through another ABC news report. I am happy to table these if members would like to read them. The Langoulant inquiry started with a very good analysis of royalties for regions and how it ultimately helped create the fiscal conditions that threatened it. The grand bargain came out of political expediency, a grab for power by Hon Colin Barnett, who would sell anything to become Premier in 2008, and Brendon Grylls was right there with him.

Several members interjected.

The ACTING SPEAKER: Members!

Mr D.T. PUNCH: The article has a picture of Brendon Grylls. He does not look too happy.

The ACTING SPEAKER: Member for Bunbury.

Mr D.T. PUNCH: Then there is a comment about a shortcut to a shadow Treasury. I have spoken about the shadow Treasury in this house before. The article states —

Ideas for RfR projects came from all over—government agencies, local councils and other entities ...

Why would it not? There was \$1 billion up for grabs and the catch-cry was, “We don’t quite know how to spend it”. The article continues —

But instead of going to Treasury, RfR applicants went straight to the Department of Regional Development to develop a business case for their projects.

It became a shadow Treasury. That is not good governance; that is the potential for mismanagement.

Mr D.T. Redman interjected.

The ACTING SPEAKER: Member for Warren–Blackwood.

Mr D.T. PUNCH: The article continues —

In some cases, no business case was submitted to Cabinet at all, because the proposed project sat within another program that had already been approved.

A number of projects had funding, with a whole suite of projects sitting underneath. We know that cabinet did deal with decisions under royalties for regions applications, and dealt with so many decisions that it started to skew cabinet business and bog cabinet down, overwhelming it with detailed material, right down to small grants. That is a very good way for poor decisions to be made, when so much information is put into cabinet that it is not possible to deal with them solidly. The article continues —

Only one in 10 projects had solid business case

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

...

Funds kept off-limits despite budget problems

It could not be touched.

Mr R.S. Love interjected.

The ACTING SPEAKER: Member for Moore!

Mr D.T. PUNCH: I actually listened to the member for Moore in silence, except when he prodded me.

Ms M.J. Davies: No you didn't.

Mr D.T. PUNCH: The Nationals do not like to hear this, but these are independent people.

Several members interjected.

The ACTING SPEAKER: Member for Bunbury, you are inviting interjection.

Mr D.T. PUNCH: The article continues with "Loss of AAA credit rating", which was due to a lack of budgetary flexibility. There was a lot of room for improvement. There is clearly a lot of commentary about the whole notion of how royalties for regions was managed between two parties that sometimes could not even share the cabinet room together.

I have been looking with interest at some of the Nationals WA agenda for the future. One that really caught my eye was the document "The Nationals target a building back better campaign for regional WA", with \$250 million allocated over five years, which equates to about \$50 million a year to support the 11 regional cities. That translates into about \$4.54 million a year per regional city. Regional cities would be duded because there is far more going into supporting infrastructure in our regional cities than \$4.54 million. It also highlights that the Nationals have learnt nothing about fiscal responsibility, because this reads like a general gift to the local regional capitals. "Here is \$4.54 million." There is no structure around it whatsoever.

[Member's time extended.]

Mr D.T. PUNCH: The other part of this campaign talks about batteries and power. There has been complete silence from the Liberal Party's colleagues about how it wants to expose Synergy to full market contestability to put it out for competition. What does that mean, Minister for Energy, for the uniform tariff policy?

Mr W.J. Johnston: It finishes.

Mr D.T. PUNCH: It finishes. What would that mean for regional pricing for small businesses and households?

Mr W.J. Johnston: It means they would pay more than people in the metropolitan area.

Mr D.T. PUNCH: How extraordinary that we have not heard from the Nationals on that issue. I bet they have not been speaking to country colleagues about that or spreading the issue around about what a terrible policy the Liberal Party intends to take to the next election, which, historically, has been proven time and again to be the undermining of the uniform tariff policy that has meant so much to regional Western Australia. Where do the Nationals stand on the uniform tariff policy? Do they support it?

Mr R.S. Love: We support the uniform tariff policy. Of course we do.

Mr D.T. PUNCH: Have they told their Liberal colleagues that they support it?

Ms M.J. Davies: As we sit here, we are the National Party; this is something that you don't understand.

Mr D.T. PUNCH: Yes, but who will the Nationals WA govern with? If it ever gets to govern, who will it govern with? The uniform tariff policy is a major issue.

I want to finish with a quote from Hon Wendy Duncan, who, members would recall, undertook the 2010 Duncan review. I want to return to development commissions, because I gave 20 years of my life to development commissions. This is a quote —

"At the moment, the commissions are a bit hamstrung, because they are answerable to the (Regional Development) Department and Minister ...

"Instead of having a bit more independence, and the ability to thump the table."

She said that in 2016. That, I think, says it all. When the Nationals WA come in here and tell us that we are emasculating the regional development commissions, that we have destroyed the structure of regional development, that we do not care about regional people, that we are mismanaging royalties for regions funds, I say to the Nationals that we have the state's fiscal structures back on track. The fiscal discipline is now there. We have put in a record

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

contribution to regional WA, because we care about the whole of Western Australia and we recognise that the only way to build prosperity in either the metropolitan area or regional Western Australia is to take the whole of the state forward. That is how we do it. We do it with resilience, strategy and fiscal discipline and we do not do it with half-truths and innuendo.

MR M.P. MURRAY (Collie–Preston — Minister for Sport and Recreation) [6.15 pm]: I rise today to speak on this motion. I am astounded that anyone who could run a state broke in partnership would come back and have a go at the Labor Party about how and where we should spend our money. That would have to be the joke of the century. People have forgotten very quickly that when we came into government, the state was about \$40 billion in debt, yet here we have the same people saying what we should do with the money. The Labor Party has taken some very large steps, through difficult times as well, to make sure the money is spread evenly and put in the right spot. As was said briefly before, it was about how that money has been allocated through the development commissions and other areas. We must remember that a former minister, who is sitting on the other side, went out and sold one-third of the grain development area for around \$19 million. He sold some of the agriculture department. As a country person, it really rankled with me that he was out there saying how the government helps farmers and this is what it does, but to sell the grain breeding area for \$19 million was an absolute disgrace. Further, the same former minister withdrew \$20 million out of the forestry area on plantings and then collapsed the industry, the small coupes that were being grown on properties, and said, “You can have them, because we don’t want them anymore”. This is the same member who is supposedly sticking up for country areas.

It does rankle a bit when I sit here at times and listen to what is straight out political bullstuff, to say the least, to try to get their names in the paper on the back of a reporter who reports for the *Kalgoorlie Miner*. The Nationals have used the *Kalgoorlie Miner* as evidence to stand up here today. It is absolute laziness to do it that way. While I am talking about Kalgoorlie, I have taken John Bowler, who the Nationals seem to have great faith in, to task many times about the way royalties for regions was distributed under the previous government. He said, “But we never got south, Mick. We were doing the north, and we had got the northern part and the central wheatbelt parts, then we would have done the south.” In other words, it was never going to them. That is what was said by the person whom the Nationals are holding in high esteem. Certainly, we have had that discussion with Mr Bowler many times. I am not sure whether he is a paid-up member of the Nationals, but he certainly leans that way.

Several members interjected.

The ACTING SPEAKER (Ms M.M. Quirk): Members! The peanut gallery over there can be quiet, please.

Mr M.P. MURRAY: That is fine, Madam Acting Speaker, just call him for what you like. He is on his third one, so if he wants to go out the door that is fine. It is not far from crib time.

Mr R.S. Love: Speak up. I can’t hear you.

Mr M.P. MURRAY: Do you want a lend of them? When I saw the member for Moore going like that, I thought he might want a lend of them. No, he does not.

Mr R.S. Love: I want to know what you’re saying.

Mr M.P. MURRAY: I was saying that John Bowler, who at the time was very closely associated with the member’s party, was saying, “We’ve done the midwest, we’ve done the north west and then we’re going to do the south west.” Unfortunately, they never got down our end. Some trinket money was being thrown around in the early days—there were singing toilets, plastic cows and all those rubbishy things. It was a like a cheap junk shop—the two buck shop. The former government was throwing money around the place. It was dropping it down anywhere and everywhere and it really got no benefit from it in those first four years. I think that most members of the National Party would agree that they did not get any benefit from the first four years. There was no strategic plan. It was just: get rid of the money; we have to spend it. That was a terrible thing to do, because it gave people the expectation that they could put out their hand and dollars would lob in it. That was not the case. When we came in, we had a more structured approach on how to go about things.

Ms M.J. Davies interjected.

Mr M.P. MURRAY: It is very, very structured and is working for country areas.

Several members interjected.

Mr M.P. MURRAY: Members opposite want to talk. I heard a noise from the back about schools. The National Party’s election promise was to upgrade Collie Senior High School. That was not done after two elections. But one party went out and, after three and a half years, the school has those upgrades—that is, the Labor Party. There was certainly no help from you guys whatsoever.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

In the same sense we can talk about the blueprint. What a joke! It was all paper and all fluff and puff. There was no structure to go forward with.

Mr D.T. Redman: Who did it?

Mr M.P. MURRAY: I do not mind that. We have talked that out. We know that Brendon Grylls stood on stage in the centre of Collie and announced his blueprint. There was not one clap. People did not understand it. They did not understand him. It was the greatest thing that could have happened for my re-election. It was so great to see that people could not understand what the then Leader of the National Party was saying. He was wearing his jacket with its elbow pads and his jeans. People did not understand what he was talking about. It was just amazing. He was trying to cover up. He just did not hit the spot. I was so happy. Honestly, it was so poorly presented it saved me spending \$2 000 or \$3 000 in ads the next week.

The blueprint had no outcomes. That is what Brendon wanted. Brendon went in and asked for blueprints for each of the areas. He came out with bits of paper that were absolutely worthless. But the people had a choice between the blueprint under the National Party or the Mick Murray plan for Collie–Preston. Which one did they take? Overwhelmingly, they took the Labor Party plan, and it is delivering. There are only about four small jobs in that plan left to do, and then every bit of that plan will have been achieved. That is something the National Party could never say it has done in any part of Western Australia. They have bits and pieces all over the place and no structured plan. We had a plan.

We have been criticised because Collie is getting money, but at the same time the member for Warren–Blackwood says that they probably deserve it. Which side is he on? Is he saying yes, no, or is he standing in the middle?

Mr D.T. Redman: I said they’re going through a transition.

Mr M.P. MURRAY: He is obviously standing in the middle because he has a National Party candidate who is a reject from the Labor Party down there and he is trying to butter them up. We have a plan to change the town of Collie into something that will last into the future. We know—everyone in town knows—that coalmining will be phased out over the next 20 years. That is no joke. The phasing out is already happening with plants being shut down. The unions and the Minister for Energy sat down together to come up with a plan, and that is now being worked through. There is only one group that is trying to stop that. We saw that the other day with the new energy plan, which would disrupt that. The town of Collie would never recover from that. It would become a ghost town because there would be nothing to take the place of coal. The National Party has no plan for Collie. Members just need to go back to 2000 when Colin Barnett put out his gas pipeline plan. He was going to have a turbine on the end of gas pipelines, like an octopus. There was no plan for Collie. The Labor Party has supported Collie through thick and thin. Remember, two-thirds of the 3 000 people who live on the ridge live in the Bunbury region. When we use the word “Collie”, that is where the work is, but those people live on the coast. We are looking after that south west corner. If we do not do that, we will have problems down there, but we have had help from the Minister for Energy along those lines.

Further to that, members might want to come down and spend some money and have a look at the mural that is being built.

Ms M.J. Davies: Can you use the water? What’s happening to the water in the Wellington Dam?

Mr M.P. MURRAY: The Leader of the Nationals WA should just come down and have a look and she will enjoy it. She will need to bring her own pushbike and ride on all the trails that we have put out there as well. The National Party had no plan to develop the tourism industry in that central region. There is the Wellington Dam, and even though it is called Collie, there is Dardanup, Donnybrook, Boyanup and Harvey, and of course Eaton. It is going to be an area that people gravitate to. I will name-drop a bit here. I was at a function the other day and Graham Moss, the famous footballer, came up to me and said, “Mick, we’ve just spent a couple of weeks down in the Ferguson Valley and we went to Collie. What a lovely little town.” I said, “Yes. There’s a good local member there. He’s not going too bad.” He was telling me how Collie has been hidden and lost over time. Only one party put up the signs and made sure that people knew where Collie was. With help from the Minister for Tourism, we are really going forward in that area. On the back of the dam, the whole lot —

Ms M.J. Davies interjected.

Mr M.P. MURRAY: You can make as much noise as you like, Leader of the National Party, but you have not done one thing for the region.

Ms M.J. Davies interjected.

Mr M.P. MURRAY: Yes, at one time we got a skate park.

Ms M.J. Davies: Skate park? We completely revitalised your main street.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

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Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Mr M.P. MURRAY: Revitalised? But you never had any plans for jobs. It is no good having a pretty face and nothing underneath it.

Ms M.J. Davies interjected.

The ACTING SPEAKER: I call you to order for the second time, Leader of the Nationals WA.

Mr M.P. MURRAY: Structure is needed to hold up the whole town and region. The National Party does not have structure in its plan.

Let us go back further to the amount of roadworks that have been needed. It took an age to get the dangerous Coalfields Highway done. I admit that it was done under a Liberal–National government but, by gee, there were faces of Colin Barnett all the way up and down that highway. Every day I was in the press to keep on the pressure until we finally got it, which then stopped a lot of accidents. I think that in one year, five people were killed on that road.

Again, it has to be a targeted approach. I am not sure whether members have been through Donnybrook lately. The political differences between the shire president and me are huge. He is a card-carrying Liberal, but we have worked bloody hard—I mean hard—to make sure that Donnybrook got its share. It did not get anything under royalties for regions. Point to one thing in Donnybrook that was paid for by royalties for regions? There has not been one thing. When I go to Donnybrook now, I get so many pats on the back. Generally, it would be a whack in the ear because we play footy there and someone would be trying to square it up. But I can tell members that the people of Donnybrook are so pleased with the Labor government. When Mark McGowan came down for a cabinet meeting, people were queued up in the street. People who I know are blue-ribbon Liberals were queued up in the street asking for a photo with Mark. I only wish I had charged them 10 bucks, because it would have paid for my next campaign. So many people were there. Honestly, the people of Donnybrook were left behind and they had to pull out. Boyanup was left behind and they had to pull out. Dardanup was left behind because the southern drift did not come down under the Nationals plan. That comes from Mr Bowler himself, who I am sure sits in a lot of meetings with the Nationals.

If we look at it from that point of view, Collie is going well. The region is going well. We are working closely with Bunbury to make sure about that. Then there is Harvey over on the other side. We have a plan not for particular towns but for the region. The former government did nothing with the sporting funding. When it moved the sports funding over to royalties for regions, it was double dipping. It was pushing that out there and the sports funding went down. Yes, former minister, sports funding went down and royalties for regions funding went up. Members of the Nationals WA were not being totally honest with the public. They were using the figures to justify the answer.

I am getting the wind-up. I can tell members that the one thing we in this house will never walk away from is fiscal responsibility. It is taxpayers' money; it is not the National Party's money. It should be spent fairly and across the state, not just targeted at one area.

MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum) [6.25 pm]: I am very pleased to join this debate. I want to start by again thanking the member for Moore. The member for Moore has performed a great service for the people of Western Australia. Even though he gave notice of a motion to disallow the fracking regulations in Western Australia, he did not proceed with that motion. He not only did not proceed with it, but also never asked for it to be debated in the house. I note that the member for Moore, on behalf of the National Party, issued a media release —

Mr R.S. Love interjected.

The ACTING SPEAKER: Member for Moore, just exercise some impulse control.

Mr W.J. JOHNSTON: He issued a media release saying that he was going to move to disallow those regulations. He implied to his community that he was going to take action to disallow those regulations. I was very concerned with that, because that would have completely undermined the careful process that the government had gone through with the scientific investigation into fracking and then its response to that. Of course, it also would have upset industry in this state.

I contacted the federal Minister for Resources, Water and Northern Australia at the time, who of course was a member of the National Party, and I said, “How is this being allowed to happen? Why is the National Party running around Australia calling for the exploitation of unconventional gas?” In fact, the federal minister at the time was also criticising me in the media for being too cautious about unconventional gas. I was a bit concerned. It was a bit confusing, because the member for Moore put out a media release through the National Party that said that he was going to move to disallow fracking in Western Australia, while the federal minister was criticising me for being too cautious. I rang the federal minister and said, “What is happening here?” He said to me that he would find out. He rang me back a couple of days later and said, “Don't worry about it; it's just politicking by some local member.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

It's not the National Party's position and they're not going to proceed with it." That is what I was told by the federal National Party minister.

I was concerned. I checked with the Clerk about how the motion would be dealt with, because obviously it was upsetting the government's plan to have the disallowance motion on the books. I discovered that there was nothing the government could do about it; we had to wait until that period had expired. I appreciated that advice from the Clerk. Even though I had been assured by the federal minister that it was just local politicking, I was concerned that the federal minister was wrong. I am very pleased that what I was assured by the federal minister was, in fact, true. It was nothing more than just local politicking and there was never any intention to move to disallow those fracking regulations.

I must say on behalf of the people of the seat of Moore that I am disappointed in that, because I think a member should say the same thing to their community as they say in this place. I do not think it is right that a member says one thing to their community and, in fact, tables petitions calling for the end of fracking in Western Australia, but then has no intention of following through on that. As I say, I had already been assured by the National Party's leadership that that was just local politicking. I want to thank the member for Moore for the fact that he never had any intention of proceeding with that disallowance motion. It was being done only so he could put out a media release and tell his constituents that he was on their side, even though he never had any intention of doing what he said he was going to do. It is good for the government that the member for Moore was not telling the truth to his constituents—I am not saying that he was lying; I am just saying that he was not telling the truth—because that means that the government's careful management of fracking has been allowed to continue. I make it clear that there is no expectation —

Mr R.S. Love interjected.

The ACTING SPEAKER: I call you to order for the second time, member for Moore.

Mr R.S. Love interjected.

The ACTING SPEAKER: Member for Moore, that is three.

Mr W.J. JOHNSTON: There is no expectation for any fracking to take place in the midwest, because there is no belief that there is any unconventional gas in that province.

Point of Order

Mr R.S. LOVE: This is a motion about the management of the royalties for regions program. It is not about fracking. Furthermore, the Minister for Mines and Petroleum is misleading the house. He knows full well that fracking has occurred in the midwest and that there are exploration licences that have a program of works that includes exploration for unconventional gas. He is misleading the house.

The ACTING SPEAKER (Ms M.M. Quirk): Member, there is no point of order. The minister is speaking to a broad motion about the management of royalties for regions in the way he sees fit.

Debate Resumed

Mr W.J. JOHNSTON: Indeed, onshore gas royalties are covered by the royalties for regions legislation that the government has not amended. The royalties we are going to receive from the gas activity in the midwest are exactly part of this debate. It also goes to the heart of the credibility of the embarrassing speech given by the member for Moore in this debate, in which he tried to attack the high-quality member for Pilbara, a man of great integrity who has great support in his community. Let us not forget how the member for Pilbara came to this Parliament. He defeated Hon Brendon Grylls, whom the five National Party members who spoke in today's debate credit with the invention of royalties for regions. Of course, it was actually Wendy Duncan who came up with the plan for royalties for regions, but of course it was always Brendon Grylls who was given the credit. That was one of the reasons that Wendy Duncan became so concerned about what was happening, and it led to her decision not to endorse the National Party's candidate in Kalgoorlie at the 2017 election, remembering that she was the sitting member for Kalgoorlie at the time. Let us not rewrite history in this place. It reminds me of Hon Norman Moore's comment to members of the Liberal Party. He said, "Never be in a photo with Hon Brendon Grylls because you'll end up in the royal commission." That is what he used to tell Liberals. That is what happens here.

Ms M.J. Davies: It's grubby.

Mr W.J. JOHNSTON: Grubby! The Leader of the Nationals WA talks about grubs. I know she was not in the chamber at the time as she was on urgent parliamentary business—I accept that; that is not a criticism—but she should read the disgraceful contribution from the member for Moore, who says things to his community and acts differently. He says one thing to his community and acts differently in Parliament. He says one thing to his community, but does it only because he thinks it is political. That is what he thinks.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Ms M.J. Davies: He is very well supported in his electorate and a man of great integrity. I will not accept criticism from you on that front.

Mr W.J. JOHNSTON: I am going to give a criticism. I am not taking any interjections, Acting Speaker.

The ACTING SPEAKER: Members, do you note that?

Mr W.J. JOHNSTON: I just make the point that the member for Moore said something to his community for the purposes of politicking and I was told that by the National Party. That was not my invention; that is what I was assured by the National Party. Another member in this building—I will not name the person—came up to me at the bar and talked about stuff, but I will not go through those details. I know exactly what happened.

I want to get on to another part of the management of royalties for regions. I remind people of question on notice 6175 of 1 November 2011. I asked this question of the then Minister for Regional Development —

I refer to the answers provided by the Minister on 20 September 2011 —

I then listed a whole series of questions that I had asked —

- (a) what area has been cropped for rice production in the Ord region in 2011;
- (b) how much rice was harvested this year;
- (c) has the Minister's targeted production of 10 000 tons for 2011 been achieved, and if it has not been achieved, what is the reason for the Minister's failure to reach his production target;
- (d) is this productivity above the 2010 yield of 6 tons per hectare;
- (e) what high-value niche marketing opportunities through the Sunrice connections, if any, was this rice sold into;
- (f) can the Minister advise where the rice has and will be processed;
- (g) if the rice is to be processed overseas, has and will the rice be re-imported to Australia; and
- (h) if the rice is to be processed overseas and then re-imported to Australia, what quarantine arrangements will be required by Australian authorities?

The reason I asked those questions is that those of us who were in the chamber at the time will remember Hon Brendon Grylls throwing bags of rice around the chamber. That was in 2010. He said that by 2011, there would be 10 000 tonnes of rice up there, and it was on the way to 100 000 tonnes. What he did not tell anybody was that the rice that had been grown was given away for free and sent to Papua New Guinea. The reason it was sent to Papua New Guinea is that it could not be milled in Western Australia. The only mill was in New South Wales, and the cost of trucking the rice from the Kimberley to New South Wales was, of course, prohibitive, so it was boxed up and sent to New Guinea to be processed and given away for free because it was not commercially viable.

What happened the next year? I knew this when I asked that question. In 2010, the rice had been affected by rust, or some other parasite. In 2011, it had been eaten by some birds that come through the north of Australia as part of their annual migration. I knew that there would be no harvest, because the rice had been eaten in the field by birds. The answer from Hon Brendon Grylls was —

The Member is referred to the response provided to Question on Notice ...

He said that the rice harvest had not happened. That is what his previous answer had been. I had asked previously a very similar question. He said the rice had not been harvested yet. The reason the rice was not harvested is that it had been eaten. That is why no rice is grown in the Ord today.

The whole point is that the National Party spent \$300 million to create a crop of 100 000 tonnes of rice. I am not saying that is what the intention was. Hon Brendon Grylls said that the purpose of the Ord scheme was to grow 100 000 tonnes of rice. The question is: did that succeed? It is not a question of whether I think it succeeded. The question is: did the National Party think it succeeded? The answer is no. The National Party said it was about growing rice crops. No rice has ever been grown on the Ord, because rice is not a crop that can be grown there. One year it was rust, or some other parasite; the following year, it was birds. It is not a surprise. I do not understand why the National Party ever thought that rice could be grown in the Kimberley. Rice had been grown in the Kimberley in the 1960s, and guess what happened? Exactly the same thing happened in the 1960s. I do not get why the National Party thought —

Ms M.J. Davies interjected.

The ACTING SPEAKER: Members! The minister has indicated that he is not accepting interjections.

Extract from Hansard

[ASSEMBLY — Wednesday, 11 November 2020]

p7808a-7835a

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

Mr W.J. JOHNSTON: This is how stupid the National Party is. It said that \$300 million was being spent to create 100 000 tonnes of annual rice production. It was not a project. It was not a research and development opportunity. It was supposed to produce an economic return. The National Party compares that failure with the challenges around a research and development project that was designed to create new knowledge.

Ms M.J. Davies interjected.

Mr W.J. JOHNSTON: For crying out loud! The member for Central Wheatbelt needs to start reading things. She should not come in here and just flap her gums around. She should read a few things. I know that she has some problems in the National Party today. The problem is the member for North West Central. He used to be our problem. He is now the National Party's problem. He used to stack branches in the Labor Party. He now stacks branches in the National Party. These are the things that happen all the time.

Ms M.J. Davies interjected.

The ACTING SPEAKER: Leader of the National Party, I call you to order for the third time.

Mr W.J. JOHNSTON: The National Party invested \$300 million in that project to grow 100 000 tonnes of rice. Not one gram of rice is being grown there. That is the problem.

Mr D.T. Redman interjected.

The ACTING SPEAKER: Member for Warren–Blackwood! If you cannot control yourself, leave the chamber.

Mr W.J. JOHNSTON: Members of the National Party thought that was a good idea. Their aim was to grow 100 000 tonnes of rice. That was their ambition. That is not what I said should be grown there. That is what the National Party said. It said this would be a food bowl.

I want to make another point. That 100 000 tonnes of rice is a fraction of the total rice grown in Australia. Australia is a minor country in the growing of rice. This is the opportunity cost that was missed here. This is why we talk about properly thinking through what we are doing. Imagine that instead of spending that \$300 million on not growing rice in the Kimberley—because that is what happened—that money had been spent on improving productivity in the wheatbelt. Imagine if that had been done. One of the great challenges for regional Western Australia is the relative decline in productivity in the wheatbelt compared with countries that are challenging us in broad-range grain harvesting. Look at the statistics of the grains that are coming out of the Ukraine and Russia. Within five to 10 years, Western Australia's grain industry will be deeply challenged. The National Party wasted \$300 million in the Ord. It did not get what it said that project would do.

The National Party now talks about Kimberley Agricultural Investment. Let me make it clear. The National Party gave that land away for free. It spent \$300 million on that land, and it then gave it away for free. This was not unexpected. We can see from all the discussions about the Ord scheme going back to the 1940s that this challenge has always existed. This was not unexpected. It was not as though we said, "Oh, my gosh! I did not realise that." That is what has happened previously. The growing of rice in the Ord was tried in the 1960s. The National Party called that \$300 million expenditure Ord stage 2. It was not. It was Ord stage 3. The original scheme was invented in the 1940s and implemented in the 1950s. Ord stage 2 was done in the 1960s, when the commonwealth government expanded the scheme by paying for the dam wall to be raised. What the National Party did was Ord stage 3. It called it Ord stage 2, because otherwise it would have had to admit that it had not delivered what it was said to deliver.

The National Party said it was about Aboriginal employment. The best we could understand from the answers to our questions on notice is that 11 jobs were created for Aboriginal people during construction. There were no ongoing jobs for Aboriginal people. Imagine if that \$300 million had been put into remote Aboriginal communities. The Minister for Water, and I as the Minister for Energy, are now trying fix the problems in those remote Aboriginal communities that were abandoned by the federal Liberal–National government and that we inherited from the former government. Instead, the National Party spent that money on not growing rice in the Kimberley. The National Party said it was about growing 100 000 tonnes of rice. Not one gram of rice is being grown there. I do not get what the National Party does not like about value for money. Why is value for money a bad outcome?

I want to also remind people about the Western Australian Local Government Association report that was published in 1998 about assistance to local governments. I forget the exact name of the report; it was a sustainability report. One of the recommendations in that report was that local governments should not be given grants, because they would then have to fund the upkeep of the infrastructure. Guess what royalties for regions did? It paid grants to local governments, and those local governments then had to pick up the ongoing depreciation costs. The idea is that depreciation is free. It is not. We have to replace capital over time. We need only look at the accounts of any organisation, including local governments. They show the depreciation costs, as do we here in Western Australia at the state government level. What is the ongoing cost of running that infrastructure? We have to make sure that those costs are also looked after. That is about sustainability, not providing a one-off grant.

Ms Mia Davies; Mr Terry Redman; Mr Shane Love; Mr Peter Rundle; Mr Ian Blayney; Mr Donald Punch; Mr Mick Murray; Mr Bill Johnston; Mr Paul Papalia

I do not get why the Nationals WA think that value for money is a bad thing. I do not understand that. I just do not get it. We have spent every cent of royalties for regions that we are required to in the regions. In addition, we have allocated other moneys. For example, 80 per cent of the emergency services levy is raised in Perth and 80 per cent of it is spent in the regions. It is not just royalties for regions that this government is supporting in regional Western Australia. We have a comprehensive program, and that is what annoys the Nationals. We do not brand it in National Party colours with its brand name. We are not doing that. We represent every Western Australian, and we are proud of that. I am proud to stand with the member for Pilbara because he is an outstanding member of Parliament. I will still put the \$50 on the table if the Leader of the Nationals wants to take the bet.

MR P. PAPALIA (Warnbro — Minister for Tourism) [6.50 pm]: It is always a pleasure to follow the Minister for Mines and Petroleum. He has reminded me so many times that when we were in opposition, we were lamenting that we were compelled to sit on the other side of the chamber and scratch our heads about what was going on in the government. There were two governments with two budgets, one of which was controlled by some incredibly irresponsible people who sought to do little else other than raise their profile and brand things. That was the Minister for Mines and Petroleum's last observation about what is really troubling the Nationals WA right now. It is upset that its bumper stickers are not all over the regions claiming responsibility for government spending of taxpayers' money across the regions. That is what has upset the National Party members.

In the time remaining, I will reflect on the few references to blueprints that have been made during the course of this debate. I know that the National Party and the member for Bunbury referred to regional development commission blueprints. Some might sceptically say that they were devised to keep a bunch of people busy consulting with each other and talking about things that might or might not come to fruition under the leadership of the National Party. Nevertheless, it kept people assured that they were being consulted. That is not a criticism of the people involved or necessarily of the objectives that were identified as being important for their communities, but it is an observation that I would make about the way the National Party operated when in government. A lot of what it did was for show. Money was spent on children's T-shirts and balloons, banners and giveaways at shows in the regions just to elevate the brand that, essentially, had no substance behind it when it was first announced. I know that is the case because I was there when it happened. It was an idea for an election campaign—nothing more—scratched out on the back of a cigarette packet in the lead-up to the 2008 election.

The National Party and its then partner, the Liberal Party, found themselves confronted with having to provide some substance to that brand. One of the things the Nationals did, which the Leader of the Nationals WA incredibly referred to as a good idea, was to create the country local government fund. The member for Bunbury was working with the development commission at the time. I can tell those members who were not here that it was a fund of \$150 million with zero probity. There were no objectives, there was no reporting and no methodology around the distribution of the funds. When we asked questions about it in Parliament and repeatedly asked during estimates for an explanation by the then Leader of the National Party about what happened to that money, he was incapable of reporting what had happened to it. In fact, it took him a couple of years to answer our questions. By the second year, he responded to our questioning in Parliament in our pursuit of that matter and, ultimately, the National Party created a structure around it before the party let it go.

That was disappointing for some of the people who had spent a lot of time creating that structure. I think that the National Party let go of the fund after it realised it was not the best use of money to fly around the state and kick money out the back of the plane because it had created a cargo cult mentality in local governments. I am not surprised that a journalist sitting in Kalgoorlie could ring local governments across Western Australia and find people who were disgruntled that they could no longer walk to the front of the local government office and look up to the skies in the hope that the green and yellow plane would fly past with the back ramp open and see a big bundle of money being parachuted out of it. I am not surprised that some people are disappointed that that is not the case anymore. We now have probity and structure and taxpayers' money is being used in an efficient way.

We have seen the biggest spend on regional roads in the history of Western Australia. The safety of Western Australians in the regions is being addressed for the very first time by a Labor government, not by the Nationals or the Liberal Party, which demonstrated that they cared nought about the fact that people in the wheatbelt were three times as likely to die in a car crash than people in the metropolitan area. They did nothing about that. The Western Australian Labor Party is addressing that matter. We are spending more money than ever before on road safety in the regions in an efficient way, because that is what is required. We are spending more money on health in the regions without having to brand it as something that the National Party has delivered. I know that upsets the National Party members.

Since the COVID restrictions were lifted, there has been one incredible benefit as a consequence of Western Australians confronting COVID. I sense it when I go around the regions. I see it and hear it when I talk to hundreds of small businesses in the regions and when I speak to local governments, citizens and businesses in the regions. Western Australians, like everyone in the world, confronted this global pandemic, and it caused them to come together. They were willing to sacrifice their own self-interests on behalf of a good outcome for the state. That has

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p7808a-7835a

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been a great outcome, and it has continued. In the regions, people are wandering out yonder. That is the most successful intrastate travel campaign ever launched in Western Australia. It has seen Western Australians holidaying out in the regions like never before. They are doing it not just for a holiday; they are actively seeking out an opportunity to support their fellow Western Australians, and that is a good thing.

Getting back to the reference to blueprints, as we approach the election, it is sad to see the Nationals returning to its standard blueprint for politicking. The Nationals pretends that it is an independent party and will somehow magically get into office independently of the Liberal Party. Everyone in Western Australia knows that is not true. Everyone knows that the only way the Nationals will form government is with the Western Australian Liberal Party, but they also know that the Nationals seek to drive a wedge between metropolitan Western Australians and those who live in the regions. The Nationals political blueprint is to create division. It is very sad. It is not the Liberals doing that. To the extent that it even bothers with the regions, it does not do that. The National Party's only plan is to suggest to regional Western Australians that they are being duded by people in the city who do not care about them, for some reason, despite the fact that Western Australians who live in the city are subsidizing the power, the water and the air travel for those who live in the regions. For eight and a half years, people on the other side of the chamber ignored the fact that airfares were going crazy in the regions. People in regional towns and cities were confronted with ridiculous prices to travel just to visit their family in Perth or to seek medical attention or educational opportunities. They were confronted with outrageous airfare prices. The only party that responded to that challenge was the WA Labor Party. In opposition, we promised to conduct an inquiry.

We did that the moment we got in and since then regional Western Australians right across the state have benefited from more affordable flights in multiple destinations, many of which are tourism destinations. That has resulted in further job opportunities and growth in business. As I travel the state, I see Western Australians from the country and the city who recognise that they are all in it together. It is disgraceful and disappointing that the National Party is trying to drive a wedge between them, because that is one of the great outcomes of this achievement through this COVID period; all Western Australians are working together and there is a sense of camaraderie and community that I have not witnessed before. It is very sad that the Western Australian National Party returned to its standard blueprint, which is to suggest to people in the country that the people in the city are somehow trying to rip them off. The number of people I have seen going to the regions to take the opportunity to have a holiday, yes, but also to support small business, tourism and accommodation is incredible.

Debate adjourned, pursuant to standing orders.