

TREASURER'S ADVANCE AUTHORISATION BILL 2023

Second Reading

Resumed from 23 February.

MR R.S. LOVE (Moore — Leader of the Opposition) [10.03 am]: I rise to speak to the Treasurer's Advance Authorisation Bill 2023 and I say at the outset that the opposition will be supporting the bill as it progresses through Parliament. We will not be doing anything to interrupt the finances of the state flowing through. We understand the need to make the payments that are required and to ensure that the state continues to function smoothly. In the United States, from time to time, we see the problems that emerge when the government runs out of money and schools have to be shut down and the police force is left unpaid and all sorts of chaos ensues. We will not be doing anything to block the supply of money to the government and, through that, the payments that are required for the employees, contractors and all the other people who will be recipients of money throughout the rest of the coming financial year. I understand that not all the money that is to be approved or authorised will necessarily be spent in that period, but I will be seeking to get an understanding from the Treasurer; Premier, when we go into consideration in detail, about some of the details of the expenditures that are sought to be approved and why it is necessary in the circumstances for this money to be authorised. We know that some of it is highlighted in the midyear review and that some other expenses have occurred since then. I asked a question in this place about what a \$500 million contingency item, I think it was, might be for, and the Premier indicated in response that it was to prepare for the recovery from the floods in the Kimberley, so perhaps I will try to get a bit more detail around that.

I remember this time last year when we had a similar bill. On that occasion, I think that was the year I learnt that we were actually, as a state, purchasing 110 million rapid antigen tests. It is fair to say we have been infested with RATs ever since in Western Australia. I know that it was a different time and people were making decisions quickly, but I always thought that 110 million RATs was a stretch for 2.6 or 2.7 million people. I still wonder to this day whether someone in the Department of Health put an extra zero at the end of that number. I think that 11 million might have been a good ask, but 110 million seemed to be a long haul from what was needed. Unfortunately, we have got to the stage now at which some of them are expiring, so that very large investment of roughly \$500 million in RATs probably was not the wisest of investments. But, of course, it was made at a time that I acknowledge was different and people were concerned about and unsure of what the future might bring. Perhaps someone in the health department was so concerned that they put an extra zero after it.

Nonetheless, we support the bill. We do not necessarily support the fact that, year on year, we have to come to this place and ask for extra appropriations to be authorised. Actually, it would be better if the government could have a stronger way of budgeting and perhaps had more realistic budget expectations rather than having to come in here, year on year, asking for a very large amount of money that is required to keep the state running. As I said, we will not do anything that will impinge on the ability of the state to do just that. We will do what is necessary to ensure that the state's finances stay on track.

The annual Treasurer's advance limit, as we know, is automatically set by section 29(1) of the Financial Management Act, and that is set at three per cent of the amount appropriated in the previous financial year, which, on this occasion, was \$977.5 million. Nearly \$1 billion of leeway was already built into the budget, but now we know that even more will be required so that the state can continue to meet its expenditure expectations until the end of the 2023 budget period.

Looking at the breakdown of the funding contained within the now \$3 billion-plus sought, we know that some money already has been expended. I think at the time the opposition was being briefed, around about \$709 million had already been expended between the midyear review and the date on which the briefing took place. We have not been provided with any details of those expenditures, so it will be good to tease some of that out during consideration in detail. I remember that last year—the Treasurer is now in the chamber—we had quite an interesting discussion throughout consideration in detail. The Treasurer provided a detailed list of the expenditures before we went into consideration in detail so that we could go through them line by line. We will be seeking to do that in consideration in detail this time around.

More generally, as I said, the Treasurer pointed out the need for further expenditure because of the Kimberley floods. The government expects to spend the \$500 million in the contingency fund, but how can it possibly spend that money in the few months left in this financial year? Given that we are not that far from the end of the financial year—roughly three and a half months—in reality, how much of that \$500 million will hit the ground?

I note that householders in the affected areas of the Kimberley have been given a \$1 000 emergency payment to make good on some of the losses of their personal effects. Given the limited amount of shopping and retail opportunities in the Kimberley, it is good that a cashless debit card system, more or less, has been used to provide that money so that it will be used for its intended purpose. I wonder whether the government has considered how best to fully

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ensure that those families have furniture, household goods et cetera going forward, once their houses are repaired, because a good amount of the housing stock in Fitzroy Crossing is social housing. I am supposing that a number of householders are not insured. It is not normally the case that the government stands in the place of an insurer—it is a moral hazard to help people who have not taken the opportunity to take out insurance—but given the circumstances in Fitzroy Crossing, what is the government’s attitude towards that? It is a unique situation and the approach that is taken needs to look at the goods needed by the families who live in the area, how they can best be provided and who should be responsible for that provision. We need to work through those questions because people in Fitzroy Crossing already have low morale given the two to three months they have been living in temporary accommodation and been cut off from each other. We need an understanding of how the government intends to rectify the situation in that unique circumstance. Some of the \$500 million that has been set aside will no doubt be spent on infrastructure, such as repairing the bridge across the Fitzroy River, which is very much a necessary expenditure. I do not know whether any of that money will be spent before the end of June. Of course, other emergency road repairs are needed elsewhere. All this highlights the need for a stronger road network through the north of the state to ensure that not just one road services the Kimberley. Last week, people in East Kimberley experienced a lack of food supplies after they were cut off from the Northern Territory because of flooding on Victoria Highway. With flooding on the west and the east, the people in those areas had no access to fresh produce, which highlights the fact that, in the long term, we need to ensure that the infrastructure that leads into and out of the Kimberley is reinforced and that there are more ways of getting in and out.

The government has a number of issues on its plate that need to be addressed, and the need for money to allow that to occur is quite obvious. Over the last six years, this government has had the opportunity to put in place measures that would have led to better outcomes in health and housing, which are experiencing pressures at the moment. We know that we do not have enough housing stock in the metropolitan area and our regional communities; indeed, housing stock is at an all-time low and rental availability is scarce. The government’s provision of social housing has been problematic; in fact, we have seen reports of people who have been left homeless. We understand the need for strong tenancy arrangements in social housing but, at the same time, the reality is that the government needs to provide shelter for those who are affected. This has placed further pressure on the government because instead of dealing with people who might have been problematic tenants, it now has to deal with people who are homeless. The Minister for Homelessness has frequently outlined in this place the challenges he faces in finding accommodation for people who are homeless. I wonder how that will affect the Treasurer’s advance going forward and what housing measures will be addressed.

In most circumstances, the seeking of authority for so much extra money would lead to a lot of questions, and a lot of questions will be asked throughout consideration in detail. I will not detain the house much longer because other members, such as the member for Cottesloe, want to contribute to the second reading debate on the Treasurer’s Advance Authorisation Bill 2023. I understand that there is an imperative to pass the bill today. As I said, the opposition will not in any way be obstructive and will ensure that the finances of the state are carried forward. Opposition members may have some criticism about the need for some of the money, but they will not do anything to hold up the supply of money because the reputation of Western Australia as a reliable, steady and dependable state needs to be maintained. We will add to that by ensuring that the flow of money continues in the next few months in the lead-up to the next budget. Of course, we look forward to the Treasurer handing down the next budget in the house in May, which is not a long way ahead, to see how the government will address the health and housing situations, as well as the situation in the Kimberley and recovery efforts in Northampton, in my electorate, Kalbarri, in the member for North West Central’s electorate, and other communities that are still feeling the effects of cyclone Seroja, which was almost two years ago. Indeed, when the budget is handed down in May, it will have been more than two years ago. Many people in the areas affected by cyclone Seroja are homeless and either living in caravans or borrowed accommodation. My hope is that they have a speedy return to normality in the coming year and that there are measures in the budget to make sure that people in the Kimberley are able to return to life as normal as quickly as possible.

With that, I will wind up and allow other members to have their say.

DR D.J. HONEY (Cottesloe) [10.19 am]: I will not hold up the member for long as I have only a brief contribution to make on the Treasurer’s Advance Authorisation Bill 2023. As has already been indicated by the Leader of the Opposition, the opposition supports this bill. I think it has always been the case, in the history of this Parliament, that oppositions have not attempted to stand in the way of appropriation bills. I must say that when I first saw the quantum of this, it was a little eye-watering—a \$3.1 billion Treasurer’s advance. However, as pointed out to me by my colleague in the other place the shadow Treasurer, Hon Dr Steve Thomas, the government had flagged the great majority of this expenditure in the midyear review—some \$1.8 billion was itemised in the midyear review, including an additional \$463 million for public service wage increases following the negotiations the government had with those unions. This will not really increase the size of the budget; largely, it will just bring expenditure that was in the budget before this place for approval. There are some significant components, including \$289 million for

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road construction. I imagine that with all the destruction in the Kimberley in particular, that money will be chewed up pretty promptly. There is also \$200 million for community housing and \$357 million for various grants, including realisation of the COVID grants. I note that the COVID grants have taken a very long time to be put in place. I think this is an opportunity for us to look collectively at how we can get the money from these various grant schemes to recipients quickly, because I suspect that for a lot of people, that money comes too late. I appreciate that the government needs to undertake due diligence and be prudent when dealing with public money, but it also seems to take a long time to get money to the people who require it after a crisis. The amount being sought is obviously well beyond the three per cent automatic extension that applies under the Financial Management Act, which is around \$1 billion. It is significantly more than that. I am told that whilst this has become a regular occurrence, historically it did not happen regularly every year.

One point I want to make about this is that there is a general challenge for both sides in government to recognise that dollars are not a proxy for action. I do not intend to repeat all my comments from my contribution to the debate on health failings yesterday, but I see it reported a lot that something is being done because dollars have been allocated, but what we do not see on the ground is sufficient, timely action. One area of the identified additional expenditure that I will highlight is the \$200 million for community housing. We are still in a situation in which the social housing that the government sold at the start of its term—I appreciate the government’s argument that it is part of renewal—has not been replaced six years in. It is the execution of that work that has definitely been a problem, but what I also never see in this place is anything about efficiency. I come from an industrial background and was president of the Kwinana Industries Council for six years. During that time, nearly every business on the Kwinana strip reduced its workforce by about 30 per cent and significantly tightened its belt in terms of expenditure; however, every one of those businesses increased their output while doing that. I do not see the equivalent in government—that is, everything seems to be cost-plus. More money is allocated and more money is spent, but we do not see the equivalent efficiencies coming in. I do not mean the old Al Dunlap—“Chainsaw Al”—way of coming in and just chopping people and budgets because I think that is a really agricultural and destructive way to work; what I mean is that we need to work cooperatively with a whole-of-government facilitated program and with the unions and the workforce to identify waste in government and reduce government expenditure. We focus a lot in this place on dollars allocated. The government can blame the opposition as well, because we come in here and say that the government is not spending enough money on X and Y, but I think we need a parallel discussion about what the whole of government is doing to enable a more efficient spend of money and be careful that expenditure does not cause problems.

My last substantive point is about the first home buyer scheme. Pump priming went on at both a federal and state level, based on solicitations from the building industry—I understand that—in terms of pouring money into first home buyers, but we have ended up, as I predicted at the time, with a disastrous outcome. We brought a whole heap of young people into the market on a false belief that the absolutely historic low interest rates would persist forever. That was clearly nonsense. The average interest rate since Federation has been 7.5 per cent. I know that a number of people sitting in this room, like me, paid 17 per cent interest not so long ago. Those young people were enticed into the market by very substantial federal government subsidies—that was my side of politics—topped up by significant state government grants as well. Many of those people would never have entered the market of their own volition. As a consequence of the grants, we saw an immediate jump in the value of new house and land packages above the combined total of the two grants, so young people were actually paying more for houses; they were not making a saving based on the prices before those schemes were introduced. Then we had the disastrous situation of an industry that was utterly unable to cope, not just because of the COVID-19 pandemic, but also because it had real problems with labour and the like. We now have a situation around Perth in which thousands of blocks of land have a cement slab on them—the property developer has got their money because that is regarded as substantial commencement—but young people are still going to be waiting another two years or more to get a house. Of course, there are going to be some implications from that, perhaps even for government in terms of insurance. My plea, if you like, is that although we focus on budgets in this place, it would also be good to have a focus on what we are doing to improve the efficient use of government money. This is not just a problem for the other side; I reflect that this has been a problem for both sides as we have tended to allocate more and more money but we have not necessarily fixed problems. Otherwise, I commend the bill to the house.

MR M.J. FOLKARD (Burns Beach) [10.27 am]: I rise to discuss the Treasurer’s Advance Authorisation Bill 2023, which is about the continuation of budget supply. Before I go into it, I have to say that we are so lucky here in WA. I keep pinching myself. We are getting it right. I noticed that the national unemployment figures were announced this morning and we are still under four per cent. I think we are still at 3.5 per cent. I suggest that those figures could be influenced by one company alone, with Fortescue Metals Group laying off 2 000 employees. That will affect our unemployment figures.

I am going to do a bit of a comparison. Over Christmas, I did a lap of Australia. We put 12 000 kays on the clock. We went from WA through to New South Wales and up through the central coast. I will start off with the drive coming out of WA. We get our infrastructure right; there is no other way of saying it! Our freeways, Roe Highway,

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the interconnector of Tonkin Highway and moving out onto Great Eastern Highway—we get that right. We do not have the transport malaise that they have over in New South Wales. We were able to leave our residence and drive down the freeway onto Roe Highway, out onto Tonkin Highway and up onto Great Eastern Highway with virtually no traffic whatsoever. We should be commended on that. I think our infrastructure is second to none—certainly not second to any regional or major city in Australia—because we invest in our infrastructure.

I am quite unique as a metropolitan member because I tend to drive everywhere in the regions. When there is the opportunity to fly to seminars or the like in Karratha, Geraldton, Albany or Kalgoorlie, I drive; I do not fly, and there is a reason for that. It is because I can get a sense of what is going on in regional WA. At Christmas, when we did the drive across Australia, we got to listen to and get a feel for what is going on across the country, because we got to see the country. It might be the cleanliness of a small country town or the state of the roads. I must commend the Minister for Transport on how well we do our roads. On the run out to Kalgoorlie, an extra metre has been added on both sides of the carriageway and there are rumble strips to alert people when they drift too far to the left or right. Our overtaking lanes are set at decent distances apart; they are not too far apart. There are some roadworks underway close to Coolgardie, and that is all about continuing the improvement of our road infrastructure.

Also, our roads are flat. Members might ask: what? When we were driving in New South Wales and heading to Port Macquarie, we went through a place called Laurieton. We were driving to Maitland, following a road train. Over there they govern road trains to 80 kilometres an hour, whereas over here in Western Australia our road trains are governed to 100 kilometres an hour. New South Wales road trains are governed to such a slow pace because of the condition of New South Wales roads. Some of them that are called major highways are no better than dirt tracks. I take into account the recent heavy rains and all that, which accounts for potholes et cetera, but we were following a road train over undulating highways. By that, I do not mean that vehicles rock left and right as they drive along; the vehicles go up and down on the roads because the roads are not flat. One would have thought that one of the major freeways would be flat, but it is not. The condition of the roads in New South Wales is criminal, so why is it not investing in that space? I do not know.

We can be very proud of the infrastructure we have here in Western Australia. The roads were that bad around Maitland that we blew a tyre. We were following a road train that was jumping two to three feet across the road because of the state of the road and we blew one of our tyres. We pulled off the road and managed to change it. I have to commend a young fellow who is a prison guard at a local prison there who stopped and gave us a hand changing the tyre. He was a nice fellow and I have not forgotten that. I have written to him and wished him well. He wants to become a policeman, so good luck with that in New South Wales! I said we have plenty of jobs over here for him, so why not stick his hand up over here? He said he would think about it!

Anyway, we got to Port Macquarie and surprised my mother, which was the whole intent of our trip, and that was fantastic. We spent a few days there. In Laurieton, there is a major lookout to the south of the town. It overlooks the estuaries and the ocean, and it is a beautiful view; no question about it. However, the lookout was an absolutely abysmal piece of infrastructure that had not been maintained; its timbers had dry rot. There were two structures that were claimed to be lookouts, and the second structure was overgrown to the point that it was more of a tree walk than a lookout; it was completely overgrown and was disgusting. Compare that with the Kalbarri Skywalk. I have to say that that is a world-class piece of infrastructure in Kalbarri National Park. I say to Mike Paxman, the head ranger up there: mate, you have got it right. There are two skywalks where visitors can look out over the national park and the gorges, and they are spectacular. The walks have little explanation plaques and there is a coffee shop and quality toilets. It is something we can be proud of. In comparison, what they have over east is a joke.

I go back to what I said earlier: we are getting it right. The Minister for Transport has reinvested in bringing road maintenance crew employees back into government employment, including the crews based out of Narrogin and Norseman. The state of our roads and the cleanliness of our pullover spots across the whole of Western Australia is something to be proud of. To give an example, we drove up the Pacific Highway in New South Wales, and one particular pullover rest area had been signposted for about 50 kilometres. When we pulled over into it, there were five permanent toilets there. To their credit, they had installed about four blocks of six transportable toilets because it was a holiday period, but when we got there, every one of them was blocked and overflowing, and the place stank like a sewage farm. There was toilet paper strewn about for hundreds of yards either way. It was not only me who thought this was a disgusting lack of maintenance; I watched a hire car pull in containing people from either China, Japan or Korea. They pulled in, all the doors opened and everyone walked over to the toilets. They were so disgusted that they walked straight back, got back in their car and drove off. I thought, “Really? That’s something to be proud of, New South Wales?” We were disgusted, and we saw that right through New South Wales. The facilities were terrible compared with our facilities over here.

When we drove from Coolgardie through to Eucla, we did not see a single piece of roadkill on any of the roads. I must commend the road cleaners, and I hope the Minister for Transport hears this: they are doing a fantastic job. There is no roadkill; it has all been removed. One can see where the animals have been hit by a vehicle, and they

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are immediately collected and removed from the road. Our rest areas are clean, the bins are maintained and the toilets look like they have been cleaned. They are all long-drops out there, but I would suggest that they are being sanitised regularly. That is not the case in New South Wales.

We continued on up through Queensland to Roma. We drove through a couple of the areas that were recently flooded, and we could see the despair in those communities. We saw the high-water marks, and I hope they have a brighter future than what we saw. Roma looked reasonable. We went out to Longreach and got to see the Qantas Founders Museum—a spectacular place. If we could do something similar over here in Western Australia, I would encourage that. We saw the 747s and the Catalinas they used to fly on the empire route. I recommend it; it is definitely worth seeing.

We then continued on to Mt Isa. Our drive between Mt Isa and Tennant Creek was an interesting exercise. We did 12 river crossings on that small stretch of highway. I have to say that we were never the lead car. I was a bit lazy. I would always follow the big, flash four-wheel drives or the trucks rather than be the lead vehicle so that if there was any difficulty in front of us, they would find it rather than us. The road between Mt Isa and Tennant Creek is an interesting piece of infrastructure. It made me reflect on our difficulties with the flooding in the north west of this state. In 2023, it is about time we had an all-weather road around Australia. We need it. We have invested about half a billion dollars into sealing the Great Central Road, which goes through the centre of Australia and Uluru, Docker River and Warakurna. I have driven that road. The sealing of that road is a must. In this day and age, we need to lift our game and have a national all-weather transport route. We need to have that conversation. I am certain that we would do our bit. The problem is whether the other states would follow. I can tell members that I seriously doubt the chances of it being sealed the moment it hits South Australia through to Docker River and out to Uluru. Some of our interstate colleagues are not willing to invest in that type of infrastructure. South Australia is a perfect example, with the recent national highway on its side of the border being cut off and the rail infrastructure washed out. We need to do better. These are issues of sovereignty. If COVID has taught us anything, it is that we need to address these issues. They are national issues, but as a state we should be doing our bit.

I can rave about our transport infrastructure in WA. However, I have to say that we need to do a bit of work on our Western Australian entry statement, because the “WA” has fallen off the sign. I am not sure whether that is the responsibility of the Minister for Transport or the Minister for Tourism, but I have given both of them a bit of an ear up on that.

In saying this, we also need to be wary of what our eastern states colleagues are contemplating with our fair share of the GST. I have talked to people at a local level, and they still cannot understand why we kept our border closed. I said it was so that they could have food on their table. I said that had we not done what we did during COVID, this country’s economy would have imploded to the point that we would be in absolute strife compared with where we are now. My friends and my family on the east coast, particularly those with more far-right views, do not get that. They do not get that the reason they are able to enjoy their standard of living is because of how we were protecting the Western Australian resources sector. They think we are just being greedy and do not want to share our GST. They think we closed the border to give everyone, pardon my language, the shits. That is not true. We did it to save and protect our community. We were so well led during COVID that it scares people on the other side of the country. We need to be very wary of those buggers trying to have a crack at our GST. We have worked hard for it. We absolutely believe in equalisation, but if the GST floor were to fall below 70¢ in the dollar, I suggest we would be duded yet again. The people on the east coast will not open up their resources. That is why they are in the position they are. That is why their power bills are going up by 25 per cent annually. I have an aunty who is a pensioner and lives in Tweed Heads. If she has to pay an extra 25 per cent on her power bill, it will smash her. Those bills keep coming, but those buggers do not understand. They do not care about people who are vulnerable. We need to be mindful of that.

Acting Speaker, may I have a small extension of time, please?

The ACTING SPEAKER (Ms M.M. Quirk): So long as you keep away from the toilet discussion, that would be fine.

Mr M.J. FOLKARD: For you I will, Acting Speaker.

[Member’s time extended.]

Mr M.J. FOLKARD: I went to Wagin Woolorama on the weekend. That was an interesting exercise. It was good to listen to our regional colleagues, and, more importantly, the punters out there—the stakeholders. They gave me a couple of gems that I took away with me. Child care is still a problem in regional Western Australia. I would have thought that since my time working there as a police officer maybe we would be doing things better, but no. There is still a lot of work to do.

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Another problem that cropped up is the ability to find effective tradesmen. I am building a home at the moment, and I must give a shout-out to Shelford Quality Homes, and Russell, my building coordinator. That is a very good builder and I hold it in high regard. In regional Western Australia, it is difficult to find good tradesmen who are willing to work the long and hard hours five or six days a week. There is an absolute lack of quality tradesmen out there. That is a challenge that we face as a community and we need to address it.

I witnessed some very poor behaviour at Woolorama by the colleagues of some of our Liberal members. It is a shame they are not in the chamber now to listen to this. One of them came up to me and abused me, and I took it on. I actually enjoyed it. I will not say what I think about him, but it starts with an “i” and ends with a “t”. I will leave it at that. A couple of us were standing in the Labor Party booth and they had a crack at us about how we dealt with COVID. One of them was whingeing about how we should have opened up the state, and I asked him, “Do you enjoy your job?”, and he said, yes, and I said, “If we had opened up the state, you probably would not have that job now.” He did not accept that argument, and I did not accept his either. Someone also had a crack at us about the firearms reforms that we are making and asked why he could not have a 50-calibre firearm. I asked him what he was using it for and he said to shoot camels. I said, “Mate, I was a police officer in Wagin. I don’t think a camel would have been seen anywhere in Wagin in the last 25 years unless it was lost.” The need to use a .50 calibre firearm to destroy camels is a nonsense. That is a highly overpowered calibre firearm. Farmers do not need it. The agricultural sector does not need it. If there was a need for such a firearm, there is currently the ability to do that.

Another person had a crack at us about our demersal fishing bans. He agreed that we need to preserve our fisheries stock. I said it should have been done 10 years ago, and he said no. I said if it had been done 10 years ago, we would not need the demersal fishing restrictions that we have now. I commend the Minister for Fisheries for the stance that he is taking to protect our fish stocks for the future. This gentleman did not accept the fact that we have lines on a map that tell people where they can and cannot fish. He agreed that we need to protect our fish stocks, but when I asked him how he thought we should do that, he did not have an answer. Typical. People like him would rather whinge about problems than be a producer.

The last thing I would like to do before I go on any more about our trip is recognise a couple of the volunteers in my community, particularly those on the P&C boards of my schools. I would first like to recognise Dale Beaton, the new principal at Kinross College. Dale will be presiding over that school that has students through to year 12. It has taken me four years of lobbying for that to occur at that high school; it finished at year 10. Now, after this year the next lot of year 10 students will progress to year 11 and the following year to year 12. I would also like to thank the P&C: Patrick Mallows, president; Theresa Harris, secretary; Emma O’Leary, treasurer; and, finally Geoffrey Marchant, executive committee member. Without the support of those individuals, this change to Kinross College would never have occurred. I thank them for their efforts and for keeping me on my toes to make sure it occurred.

The next person I would like to thank is the principal at Kinross Primary School, Therese Gorton. She has arguably one of the nicest primary schools in my electorate. Not to say the others are poor, but—I cannot remember the gardener’s name—their school is beautiful. It is clean and well maintained, and all the toys are up to scratch. We invested in a sustainable garden at the school to teach the kids about growing vegetables. We invested \$50 000 to make sure that happened. I have seen the results in the produce. They have had pumpkins the size of basketballs, they have had zucchinis and they have had a feed of corn come out of it. It is all used to teach young kids how a garden grows. For their fantastic support of Therese and the school community at large, I would like to thank the P&C of that school and its executive committee: Emma Oliver; Muriel Davies; the stalwart of the school Margaret Patullo—I hope I have pronounced that properly, Margaret, you will shoot me later!—Wendy Pinion-Jones; Angela Little; Serena Lacase-Hitie; Michelle Murnane; Ai Shin Cruz and Rachael Oliver.

From Somerly Primary School, I would also like to thank Zoe Stenhouse, who is currently on maternity leave—I have seen her lovely baby and I wish her well—and, more importantly, Louise Carroll, who is acting in her place. Members may not be aware that two years ago the school was flooded and it lost all the furniture in the library. We were able to find \$5 000 to replace the library furniture damaged during that flood. Zoe and Louise are a brilliant team that runs and leads that school, and they need to be recognised. I would also like to recognise P&C president Kylie Rudd, vice-president Rose Manson, secretary Kris Watkins and, finally, the most important lady, the money lady, the equivalent of our Premier, Tanya Viandante. I hope I pronounced that right, Tanya! These are the people who support Louise and Zoe in the running of Somerly Primary School.

The next school I would like to recognise is Clarkson Primary School, with its new principal, Sarah Chaloner. Sarah gets it. I do not have to say anything more about her values in leadership. She has a fantastic team that supports her, including her associate principal, Lloyd Morris, and more importantly, P&C chair Heather White, secretary Jade Morrison and treasurer George Woolston. George is a lovely fellow. Without their support, Sarah would not be able to get on and achieve what she will achieve this year and, I have no doubt, in the years to come.

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The last school I would like to speak about is Quinns Rock Primary School. It is one of the oldest schools in my electorate. It dates from when Quinns Rock was basically a small hub. I do not want to call it a town site because there never was a town site there, but it is one of the oldest schools.

Mr P. Papalia interjected.

Mr M.J. FOLKARD: Fishing might be a way to put it! It was like that. You could camp on the beach back in its early days. This was the original primary school. The old principal retired last year and the school has been run by Nigel Rogan, and Nigel is lovely fellow, very passionate, and we will help him go forward. More importantly, I would like to recognise Helen Nolan, president of the P&C; Gillian Walters, treasurer; Ingrid Ryan, canteen manager; and committee members Julia Gavan and Michelle Wynhorst.

Without those volunteers, schools would struggle to be productive. We have our budgets, but that is not what makes a school. The school is a community, and without the volunteers in that community it is hard for them to grow or, more importantly, to create an environment in which the kids can achieve. Our government supports that environment. I have to say we set the standards in that space. Nothing more needs to be said. I thank members and I commend the bill to the house.

MR S.A. MILLMAN (Mount Lawley — Parliamentary Secretary) [10.55 am]: I rise to make a contribution on this important Treasurer's Advance Authorisation Bill 2023. While the Leader of the Opposition is here, I acknowledge the opposition's support for this bill. This is responsible legislating. Later in my contribution I will talk about responsible financial management, which we have not seen as much of from the Liberal Party and the Nationals WA, but as far as responsible legislating is concerned, I am pleased to see that the Leader of the Opposition and the opposition will support the bill.

The reason I stand to speak on this bill is that it gives me an opportunity to talk about the responsible economic and financial management of the McGowan Labor government, not just in this most recent term of Parliament since the 2021 election, but all the way back to 2017. We have seen responsible economic and financial management despite the onset of global headwinds and the economy experiencing the COVID-19 pandemic. It is responsible financial and economic management that has seen ratings agencies like Moody's and Standard and Poor's restore Western Australia's position, which has resulted in the government having a lower interest bill than it would have had if the ratings had remained where they were when we inherited the state's finances from the former Liberal-National government.

One of the reasons I can say we have had this strong and responsible financial management over the last six years of the McGowan government is that we have a cohesive and comprehensive philosophical underpinning. We believe in social democracy and a regulated market economy with a sensible role for the government through government trading enterprises and appropriate investments. I spoke about that earlier this week, on Tuesday, when we were talking about the government trading enterprises legislation. It was funny, as I was making that contribution, I was talking about the privations and problems of privatisation, and I referred to a couple of articles and speeches. I must have hit a raw nerve with the members for Cottesloe and Central Wheatbelt because the member Cottesloe criticised my contribution for being too left wing. He suggested that perhaps I would have been next up singing the *Internationale*. Meanwhile, the member the Central Wheatbelt criticised me for calling the National Party too right wing. For the member for Cottesloe, everyone must look left wing, and we can understand why an agrarian socialist would be up in arms about being labelled too right wing. This shows the paradox at the heart of the Liberal-National alliance. It shows that it lacks a cohesive economic and philosophical underpinning that we in the Labor Party are blessed to have. It really shows the paradox at the heart of the alliance. It is, frankly, a coalition of confusion. It does not know what it stands for.

One thing that the coalition appreciates, recognises and understands is the incredible financial situation that this state finds itself in. Yesterday, at numerous points, not just once, the opposition praised the McGowan government for presiding over the most financially and economically successful state in the commonwealth. My handwritten notes say that the member for Cottesloe said "best performing economic state" to the Premier, not once but twice during question time. It was right for the opposition to praise the McGowan government for its financial management.

Mr R.S. Love: Was it the member for Cottesloe?

Mr S.A. MILLMAN: The member for Cottesloe said that. He said it at least —

Mr R.S. Love interjected.

Mr S.A. MILLMAN: What was that? I missed that. Anyway, it does not matter.

Ms H.M. Beazley interjected.

Mr S.A. MILLMAN: Everybody else did, and it was the same during private members' business later in the afternoon.

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There are probably four contributing factors to the economic success of the McGowan government but more importantly to the economic success of Western Australia. We have been blessed by strong commodity prices. We have worked hard with rigorous fiscal discipline through our single budgeting process, and I think the member for Cockburn might have something to say about alternative budgeting processes. We had an outstanding COVID response led by the government and invested in by every citizen in Western Australia. The reason for our success in tackling COVID was that the community responded well to the integrity and credibility of the government. Because we worked collectively and because we worked as a community, we had the most outstanding COVID response, and I think that is also one of the interlinking factors that has helped put us in the strong financial position that we are in. The final contributing factor is the GST deal that the McGowan government secured in 2018. I will come back to the GST deal.

I want to talk about strong financial management because it was not a feature of the former Liberal–National government. I have a number of articles that I will refer to. The first one is from all the way back in 18 April 2012 by Courtney Trenwith. The article concerns commentary made by the then Prime Minister, Julia Gillard, to the then WA Treasurer, Christian Porter. It states —

The Prime Minister has criticised Treasurer Christian Porter for blaming the government’s public sector cuts on a smaller share of the Goods and Services Tax, saying his comments suggest he cannot handle the hard work of government.

Then Prime Minister Gillard said —

“What you have to do ... is get the work done, make the hard choices, recognise you’ve lost revenue and look to make savings.

In respect of the federal government, she said —

“We’ve done that ... since mid-2009.

“If the WA Treasurer ... isn’t capable of doing that hard work of government here in WA then he should hand the job over to someone who can.”

...

She also expanded on her comment yesterday that Premier Colin Barnett was a “boom time leader” and was not doing enough to evenly spread the mining wealth.

That was in 2012.

On 14 August 2016, an ABC News article by Richard Baines stated that Saul Eslake —

A leading independent economist believes Western Australia has been “bleating” over its GST share, ... WA has long taken umbrage with the GST carve-up, but independent economist Saul Eslake is not sympathetic given the money the state made during the mining boom.

...

“While the system was working in its favour, while commodity prices were going up, Western Australia spent the lot, State Government spending per head of population rose by 5.9 per cent per annum.

“Now that Western Australia have in effect spent their lottery winnings, they now want to go back on the pension and get their income tax payments refunded at the expense of the rest of Australia.”

That is what Saul Eslake said in 2016.

I thank the member for Burns Beach for his comments about New South Wales. A state election is coming up in a couple of weeks in New South Wales and some of the problems it is beset with might be remedied by the election of a new Labor government. The problems in New South Wales the member for Burns Beach spoke about are a function of more than a decade of having a Liberal–National government. However, I will give Mr Perrottet his due for this. On 7 October 2021, a 9news.com.au article by Adam Vidler referred to Mr McGowan’s comments on social media. It states —

“If it wasn’t for the GST deal we fought so hard to secure, WA would get back barely 40 cents on the dollar this year, and even less in years to come,” Mr McGowan wrote.

“No other State has ever had its share drop to anywhere near the levels that WA has seen, but more importantly, none are worse off under the revised deal.

“I’m sick of the Sydney Liberals whinging about it. West Aussies shouldn’t have to pay for their budget mismanagement.”

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In his first press conference after being elected Liberal leader on Tuesday, Mr Perrottet pledged to “fight” for NSW on GST.

He said it was crucial that the Federal Government not remove the no-worse-off clause.

Mr Perrottet said —

“This is about fighting for our state. (Mr McGowan) fights for his state, but my job is to represent the people of NSW —

I agree with Mr Perrottet —

“The reality is Western Australia got an incredibly generous deal from the Federal Government when it came to GST. It’s not Mark’s fault. It was actually a Liberal government in the middle of the mining boom that wasted all those mining royalties ...

That is the finding and the sentence that was delivered on the former Liberal–National government by its own counterpart in New South Wales. It wasted the mining boom. It wasted all those mining royalties.

All those comments were in the context of financial management. I turn to the GST deal. I am obliged to Hon Dan Caddy in the other place. I had a chat to him this morning about my proposed contribution to the debate on the Treasurer’s advance, and he reminded me of a contribution he made in a similar debate on GST negotiations on 27 October last year. It states —

In 1999, amid all of this, the federal coalition government guaranteed that no state would be worse off. However, the Labor opposition at the time, led by Hon Dr Geoff Gallop, highlighted during debates that the guarantee was based on the commonwealth’s assumptions. It did not care what we thought. On 19 October 1999, the then shadow Treasurer told members in the other place —

... Western Australia is vulnerable because it is still dependent on commonwealth calculations of how it is fairing. If there is a disagreement between the State and the Commonwealth over the amount of revenue the State has missed out on, we may find that the Commonwealth will pay up on the basis of its calculations rather than Western Australia’s calculations.

Hon Richard Court, Liberal Premier at the time, dismissed those concerns and relied on the federal government’s guarantee. It continues —

At that time, when this deal was entered into, WA made a \$2.5 billion net contribution to the Federation, the biggest contributor per capita by a long, long way, with over \$1 350 per capita. New South Wales was next at less than one-third of that. When members want to come in here —

The Legislative Council —

and talk about the GST and say, “Gee, it was a big problem but Scott Morrison fixed it”, they are absolutely rewriting history and ignoring the fact that the Liberal Party allowed the state to get into this position in the first place.

In 1999, it was a Liberal Party problem. John Howard and Richard Court did not act in the interests of Western Australia. The trouble was that ever since the GST deal was introduced, people said that it needed to be fixed. Mathias Cormann, Julie Bishop, Michaela Cash and Linda Reynolds—all these representatives, all operating in elevated positions in the federal Liberal Party cabinet, could not resolve the GST problem. Perhaps the worst offender is Christian Porter; perhaps he is the most guilty. Let us go back to 19 May 2011 when Hon Christian Porter was state Treasurer. He was preparing and delivering the 2011–12 state budget. I quote from his budget speech —

In preparing the 2011–12 State Budget, the Western Australian Government faced one immense structural challenge, and, in the face of that challenge, had to make a central and pivotal decision about the best approach now—for the future of our State’s economy.

The problem is the rapid and massive decline in Western Australia’s share of GST grants.

Spot the hazard; assess the risk; make the changes. Christian Porter spotted the hazard. He said that there was a massive decline in GST grants. The next heading in his second reading speech is “Declining GST Share”. It states —

The formula by which Western Australia’s share of GST grants is returned to us is neither simply understood nor transparent, and it now produces results that are largely inexplicable and wildly unfair.

...

Right now Mr Speaker, our best estimate is that in 2014–15, the final year of our forward estimates, Western Australia will receive back in GST grants only 33 per cent, or one-third of our population share.

When compared to what we would receive back if a 100 per cent population share were returned—this redistribution represents a loss in revenue of \$12.3 billion ...

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He has spotted the hazard. He has assessed the risk. The loss would be \$12.3 billion. Then he said —

Critical Decision

...

First, we must not let the loss of \$12.3 billion bring our economy to a halt, rather:

- we must bring in successive surpluses; and
- we must find further savings in the budget.

...

Second, and at the same time, we must pursue the most important economic campaign in the State's history—being the campaign to reform the GST system, and return to Western Australia a fair portion of the revenue that would otherwise be lost forever.

He said that we will fight for a return of our GST revenue. It continues —

... we reasonably anticipate is that in 2013–14 the CGC will have brought in a new GST system. We expect it will produce a floor of about 75 per cent of our population share of the GST. Therefore we expect extra revenue of \$1.8 billion in 2013–14 and \$2.5 billion in 2014–15.

That is what he said. He did not say how he would go about achieving this share of the GST revenue; he just said that the Commonwealth Grants Commission would make a decision, and, therefore, he can make all these assumptions about budgetary expenditure—which he then proceeded to do. Then, when the Commonwealth Grants Commission did not do what he wanted it to do, he started bleating about it. A media statement on 24 February 2012, “GST cut another slap in the face for WA”, states —

Treasurer Christian Porter has described the further cut in Western Australia's GST share ... as a slap in the face for all Western Australians.

Subsequent to that, on 18 April 2012 Prime Minister Gillard said that if Mr Porter could not handle it, he should quit and get out. Mr Porter took the Prime Minister's advice and pulled up stumps and resigned from the state Parliament, and so be it. He then said that he would run for federal Parliament to become the member for Pearce. In 2013 he was elected as the member for Pearce. In 2014 he became the Parliamentary Secretary to the Prime Minister. In 2015 he was made a minister. At the same time that Christian Porter was a member of the federal Parliament, a parliamentary secretary and a minister in the federal cabinet, Western Australia had a state Liberal government. From 2013 to 2016, Porter was a member in federal Parliament while we had a Liberal state government, but in 2017, the McGowan government was elected and in 2018 the GST deal was done and dusted. The problem is this: Christian Porter knew there was a problem and was trying to fix it but was hopelessly incompetent or he knew there was a problem and he was not trying to fix it. He was either incompetent or negligent. In 2017 it was reported —

Senior WA Minister Christian Porter has passed the buck on responsibility for WA's woeful GST share —

Perhaps by 2017 he had woken up to the fact that he was not going to be able to fix it —

claiming the Commonwealth Grants Commission can't be overruled despite the bureaucrats themselves insisting politicians called the shots.

This is despite the fact that he had said the Commonwealth Grants Commission back in 2011 would be the one to make the decision. He did not know what he was doing in 2011 and 2012 when he was the state Treasurer or he did not know what he was doing in 2017 when he could not deliver the GST deal as a federal minister.

On 7 July 2018, Mark Riley, state political reporter, made the point clearly in his article titled “Opinion: GST overhaul hands Christian Porter a huge win on two fronts”. It states —

First, it gives him a better chance of defending his seat of Pearce.

That was true in 2019. He won the seat of Pearce in 2019, not that it did him much good. It continues —

Neutralising the atomic issue of GST inequity means there is one less thing that could blast him out of his electorate as he stares down a changing demographic that naturally benefits his Labor opponent.

But there is another reason for Porter to feel the comfort of a reassuring wave of relief.

It was he as WA treasurer who made one particularly ill-advised decision that magnified the State's fiscal malaise—a decision that Federal Treasurer Scott Morrison's GST reboot now effectively corrects.

It was an act that implanted a massive miscalculation at the heart of the 2011–12 WA Budget, which has plagued each subsequent State economic statement.

...

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His next prediction, though, was far from prudent and close to reckless.

In his ... Budget speech, he said: “What we reasonably anticipate is that ... the Commonwealth Grants Commission will have brought in a new GST system.

Mr Riley then states —

The grants commission didn’t bring in a new system and there would be no floor. Indeed, Federal Parliament, including all Porter’s coalition contemporaries, voted against one.

But his decision baked in a fatally flawed assumption that allowed the State to spend billions of dollars it was never going to see, inevitably racking up more crippling debt.

... “WA’s experience has been an unprecedented outlier, exacerbated by earlier Budget decisions of the WA government.”

...

The Productivity Commission then allowed respected economist Saul Eslake to be more direct, —

I quoted Mr Eslake earlier in my contribution —

quoting from his submission: “WA’s present fiscal woes are the result not of a flawed system of distributing revenue from the GST among the States and Territories, but rather of its —

The WA Liberal government’s —

inability to control its own spending.”

With that, I return to the point I made at the start of my contribution. I thank the opposition for legislative responsibility, but I condemn it for fiscal irresponsibility and for a complete inability to manage the state’s finances. The opposition still fails to understand this. We have seen fiscal discipline and the making of hard decisions to not only manage the state’s finances, but also tackle the federal government to make sure we got a fair share of the GST. The Liberal Party seeks to perpetrate a fraud on the people of Western Australia. Its members say that they are responsible for delivering the GST deal. That is a lie. It was only the election of the McGowan Labor government that fixed a problem created by the Liberals, perpetuated by Christian Porter, and finally resolved by Mark McGowan and the WA Labor government. That is why I commend the government for its strong financial responsibility and its excellent financial management. I commend the Treasurer’s Advance Authorisation Bill 2023 to the house.

MR D.A.E. SCAIFE (Cockburn) [11.14 am]: It gives me great pleasure to speak on the Treasurer’s Advance Authorisation Bill 2023 this morning and it is always a pleasure to follow the member for Mount Lawley. My remarks will not be as wideranging as that of the member for Mount Lawley, but he has done a very good job of covering off on the recent history of the financial management of successive governments in this state. I certainly concur with his point that financial management under the former Barnett Liberal–National government left a lot to be desired. When this government took over management of the state’s finances, it became very clear that those financials had been serially mismanaged by the previous government. We know that there are many reasons for that, some of which include some fairly questionable accounting practices when it comes to forecasting revenue, particularly from our iron ore industry. The previous government made assumptions that significant revenue would flow to the state based on an inaccurate and inflated iron ore price prediction. Because the iron ore price was significantly lower than the prediction, the revenue that underpinned spending in those budgets under the Liberal–National government was significantly lower than what had been used to justify some relatively high expenditure, so I endorse what the member for Mount Lawley said.

The other way in which the former government cooked the books was that it did not apply proper rigour to the budget process. We know from the *Special inquiry into government programs and projects: Final report*, otherwise known as the Langoulant report, that the former government had a practice of running the standard budget process, which involved submissions being put to the Expenditure Review Committee of cabinet for consideration that then received a final sign-off by cabinet and, ultimately, the budget papers were presented to Parliament and the appropriation bills were passed. But we also know that it had a shadow budget process. This was a process by which the National Party ran its own budget process with its own asks. We effectively had backbenchers and different members of the coalition holding each other to ransom over particular projects for which they wanted funding, and a commitment to quite expensive recurrent costs within the budget in addition to capital expenditure. That had the effect of undermining the rigour needed for a proper budget process. It had the effect of blowing out the expenditure in a way that was simply not sustainable based on the realistic predictions of what the state’s revenue would be.

One of the great strengths of this government is that it came in and restored an orderly budget process. There is no shadow budget process in this government; it is an orderly budget process. I know that the Premier; Treasurer and

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the Expenditure Review Committee keep a very firm hand on the state's finances. They have scrutinised everything that is presented to them. Everyone in this chamber knows that government agencies, proponents in the community, other stakeholders and members of this chamber themselves are always advocating for money to be spent on projects. I think it was Paul Keating who said, "Never get between a backbencher and a bucket of money." We all understand why that is, because we all want to do our job as representatives of our community to deliver for our community, but that can mean that if we let the budget process become uncontrolled and unsustainable, the budget very quickly gets away from the government and it ends up spending more than it can afford. That means that it has to borrow to cover those expenses.

I want to clarify that there are times when it is sensible for a government to borrow, and that is during times of economic crisis when there is perhaps a need to spend in order to support demand in the economy. We saw that during the global financial crisis and most recently throughout the COVID pandemic when state and federal governments engaged in spending programs in order to support demand in industries like the housing construction industry, and the federal government increased JobSeeker payments to stimulate demand in the economy and therefore protect jobs. In conjunction with those circumstances, periods of low interest rates can make it particularly attractive to borrow at those times when, obviously, the government is not saddled with the same repayments on its borrowings. There are times when the government can borrow at a lower rate and invest those borrowings in projects that are going to deliver a higher economic return to the state rather than the rate at which the government is repaying interest. That is a sensible economic calculation to make because it is essentially making investments that produce a dividend for the state.

The last 10 years, prior to the last 12 months, has been a period of historically low interest rates, which means that the borrowings did not saddle governments with the same responsibilities for interest repayments. The difficulty of borrowing at times when the interest rates are low is that inevitably interest rates go up again. When a government like the former Liberal–National government borrows large amounts of money during a period when interest rates are relatively low, the state's repayments obviously increase as the interest rates increase, as we have seen over the last 12 months. Fortunately for the state, this government was elected in 2017 and began the hard work of bringing the budget back under control and also paying down debt. The result of that is we have paid down a significant amount of debt, and that means that we are somewhat shielded from the effects of the higher interest rates that we are seeing at the moment. If debt had not been paid down by this government, we would be paying the higher interest rates that apply now on those significant borrowings that were made recklessly by the former Liberal–National government.

I want to note that the appropriations in the Treasurer's advance, for those members who might not know, need to be devoted towards extraordinary or unexpected costs that have accrued to the state since the budget was put together and appropriated. Members can find those amounts in the midyear economic review that is released by the government each year. In that midyear economic review, which I have read through, in relation to debt, we have actually committed to repaying an additional \$400 million of consolidated account borrowings. That builds on the \$1.2 billion repayment that was already factored into the budget. That is, effectively, a \$1.6 billion repayment that we have made on debt that was largely accrued by the recklessness of the former Barnett Liberal–National government. That has had the effect of saving the state an estimated \$241 million in interest payments. That is a significant saving. Just by paying down that debt, we have shielded ourselves from the full effects of the higher interest rates and have saved \$241 million that is not going to drag further on the government's bottom line. It also frees up money that, effectively, instead of being spent on interest repayments, can be spent on infrastructure and other capital works and put towards making the investments that we need to keep the Western Australian economy prosperous, moving forward.

As I have just explained, I was listening to the Leader of the Opposition's contribution earlier when he referred to the last time there had been debate in consideration in detail of the Treasurer's Advance Authorisation Bill. He said that there had been the capacity to go through line items. I cannot be entirely sure what the Leader of the Opposition was referring to, but he may have been referring to the line items that are set out in appendix 4 of the *Government mid-year financial projections statement*. Those figures are published as part of the midyear economic review and essentially sketch out for anyone who wants to review those documents what those amounts —

Mr R.S. Love: Also, I was provided another additional list of extra expenditures, which I was also referring to.

Mr D.A.E. SCAIFE: That is what I was not sure about. I appreciate that clarification, Leader of the Opposition.

Just for members' general information, if they want to do a deep dive into where the extra amounts that are being appropriated will be spent, going through the midyear economic review is a really fascinating exercise because it gives members an overview of the additional challenges that the state might be rising to. One of those challenges, obviously, has been the need to make sure that we are remunerating our public sector workforce. Of course, this government has been responsible in maintaining a wages policy that has kept control of the budget and repaired the budget during our previous term of government. But now, as we are entering a period of very challenging

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cost-of-living pressures, very significant rates of inflation and higher interest rates, this government has acknowledged that it is important to make sure that our public sector workforce is properly remunerated in the face of those challenges. I am particularly proud that this government has focused very much on making sure that when we are spending extra as part of the government's wages policy, that spending is going towards cost-of-living relief and it is also going towards our lowest paid workers in particular. That is really important because we know that it is our lowest paid workers—our education assistants and our cleaners—who are most feeling the pinch from the current cost-of-living situation. I just want to draw members' attention to that.

As members go through the midyear economic review, and particularly appendix 4, they will obviously find examples of when we have had to appropriate larger amounts than anticipated in the budget as a result of changes to the wages policy. In education, for example, an additional \$274.5 million is being put towards the registration of new industrial agreements for teachers and administrators, education assistants and government services employees. I suspect that came about because at least some of those industrial agreements included terms that provided that although they were settled before a change in wages policy, if there was a subsequent change in wages policy, the employees covered by those industrial agreements would receive the benefits of the change in the wages policy. As a result of a sensible, compassionate and well thought out change in the wages policy, additional payments need to flow to teachers, administrators and education assistants, and that is to be welcomed. Similarly, if we look at "Training and Workforce Development", we see that there is a total increase of \$24 million under the delivery of services, but that is primarily attributable to the new TAFE lecturers' industrial agreement, which is, again, based on the new wages policy. That amount is \$18.4 million. Members can see that of the \$24 million for the Department of Training and Workforce Development, \$18.4 million will essentially be put towards increases in wages and payments that are owing under industrial agreements. Essentially, 75 per cent of that increase will go towards covering the additional costs of changes to the wages policy and, as I said, the government has decided to bear those additional costs, having regard to our strong financial management, the positive economic outlook for the state and the need to make sure that it supports public sector workers and low-paid workers as we face rising costs of living.

There are other interesting bits in the *Government mid-year financial projections statement*. I encourage members to look at it, because it will draw their attention to other projects that the government is working on that were perhaps not anticipated at the time of the budget. One that caught my attention and that I find really interesting—it makes me want to do further research, which I have not been able to do—is the small amount of \$500 000 for the ChemCentre of WA. The review provides that that amount will be provided —

... for a project to test and implement a new forensic technique that will, among other benefits, allow human identification in cases where DNA is insufficient or has degraded.

[Member's time extended.]

Mr D.A.E. SCAIFE: It is fascinating that the ChemCentre of Western Australia is working on a project to develop a new forensic technique that will essentially allow us to identify people, which will be particularly relevant in cases in which historical criminal offences have been committed. That was not anticipated at the time the budget papers were assembled so it is being provided for here.

As I alluded to with the changes in the wages policy, one of the other themes in the midyear review is the cost-of-living situation. We can see this taking shape in minor but important ways in the amounts that will be authorised under the Treasurer's advance over and above what was accounted for in the budget. For example, there is the need for an additional \$42 000 for the Bunbury Water Corporation. It is a small amount, but it needs to be provided to reflect higher than expected pensioner and senior concession claims for the year. Similarly, the Busselton Water Corporation will receive an additional \$12 000 to reflect higher than expected pensioner and senior concession claims for the year. I also note that the fairly significant amount of \$356.7 million is due to the carryover of higher than expected costs for the small business hardship grants program and other pandemic support packages.

I want to reflect on the support that the government provided during the pandemic, which it continues to provide, to people who faced hardship by virtue of rising costs of living or economic difficulties that were encountered during the COVID pandemic. One of the things I am proud of is that this government has embraced and improved hardship programs for government trading enterprises, such as the Water Corporation and the electricity corporation, because we know that some people are doing it tough and struggling to pay their bills. It is important that those people are not simply disconnected from essential services. Under the Liberal-National government, there was a practice of simply disconnecting households from essential services, such as electricity and water, when people were unable to pay their bills. Certainly when it came to office, the Labor government did a lot of work, especially in the area of water, and said, "We don't want to switch off people's water. We want to work with people to help them pay their bills. We want to offer concessions when we can and identify for people where they can access concessions." Some people are not aware that they can access a concession on their water bill when they have

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a Seniors Card or a Pensioner Concession Card. The government also wants to work with people to come up with payment plans. I have heard the Minister for Energy refer to the hardship utility grant scheme for the agencies that he administers. He has put a lot of effort into making sure that that scheme is promoted and taken advantage of. It is really important to acknowledge that. Some of the spending is attributable to people taking greater advantage of concessions or other hardship schemes that this government provides, and that is to be welcomed because those hardship schemes are aimed at ensuring that people who are feeling the effects of the rising cost of living get the relief they need.

I note that there is also a sense in which members can see increases in prices affecting the government's bottom line. The government is not immune because it is a purchaser and consumer of many supplies and it is also affected by rising costs. Of the additional \$21 million in the midyear review that needs to be appropriated for Horizon Power, \$9 million reflects higher diesel prices. That is an example of how rising fuel costs, which have been driven by a range of factors, but substantially the Russian invasion of Ukraine, are affecting the government. The government has to appropriate a greater amount of money to make sure that it can pay for increased diesel costs.

There are a couple of other things in the midyear review that are worth pulling out. The member for Collie–Preston will be speaking about this so I do not want to steal her thunder, but it is worth noting the amount of \$60.5 million that is attributable to Synergy to primarily fund costs associated with feasibility studies on renewable wind generation and battery storage projects. The projects are significant because they are supporting the government's decarbonisation agenda. Western Australia is now, and over the next 10 years, transitioning its energy system. We are transitioning away from a reliance on fossil fuels such as coal and natural gas. They will continue to provide some of our power, particularly firming power within our electricity network but, increasingly, we will move away from those fuels, as all the world is, and to do that we need to diversify our energy sources. That means being able to take advantage of not just solar and wind, but also battery storage technology.

I was very fortunate to have the Premier; Treasurer in my electorate just a few weeks ago, and I would like to acknowledge him for that visit. One project that we had a look at was at Success Primary School, which was one of the first 10 schools to run a virtual power plant pilot project with Synergy. Basically, the solar panels on the roof of the school had been capturing solar energy, but when they produced more energy than was needed to run the school, that energy was potentially lost as it could not be used or fed back into the grid. The government, through Synergy, has developed a battery storage facility on the site so that any excess energy can be stored in the battery. It is a pilot project to see whether we can use large-scale pieces of government infrastructure like schools to capture energy and then eventually feed it back into not just the schools when it is needed, but also the wider community. It is a really exciting project. One thing that I am really excited about is that as the pilot progresses, there will be opportunities for students to learn about the technologies it uses. They will learn more about solar panels and battery technology, and they will also be taught by Synergy how to use the technology itself. They will see the software that is used to monitor the amount of energy generated by the solar panels and how much is being stored in the battery on site. I think that is really exciting because it combines the government's decarbonisation agenda with teaching our kids about renewable energy and the jobs of the future. It is a really great initiative of the state government. I again thank the Premier for visiting and looking at that particular facility and the school generally.

The battery is positioned on the far side of a car park. The Premier and I, to our amusement, saw why that is. There is a little badge on the battery that warns about battery fires. It is all being safely managed, but there was a sign that said something about the risk of exploding batteries. We hear stories of that happening when people are flying and they have lithium ion batteries with them. It had not occurred to me that that is something that we would have to take into account when we do these projects, but it is great to see that a government trading enterprise like Synergy is totally across how the technology works and has worked with the school so that everything is located in a way that will deliver the new service and pilot project safely.

I am getting towards the conclusion of my comments. I have obviously talked about the public sector wages policy, but I want to draw out one other thing that was mentioned in the midyear review—that is, the government's resources community investment initiative. I congratulate the Premier on negotiating that and bringing it to the table. It is a lot of hard work to get private enterprise to voluntarily—not through taxes or royalties—pay some extra dividend that can be used for the benefit of community infrastructure. The initiative I am referring to was announced in November last year. The state government has developed a platform for direct contribution to infrastructure and social projects by our significant resources companies. There has already been \$750 million committed to that initiative, which consists of \$250 million from Rio Tinto; \$250 million from BHP; \$100 million combined from Hancock Prospecting, Roy Hill and Atlas Iron; \$50 million from Woodside Energy; \$50 million from Chevron Australia; and \$50 million from Mineral Resources. The money committed to that initiative can now be used to support projects that have characteristics of being in addition to business-as-usual operations of government, of state or regional significance, or unique and innovative, and will improve social and cultural outcomes for this state. That is another great thing in the midyear review.

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MS J.L. HANNS (Collie–Preston — Parliamentary Secretary) [11.44 am]: I rise to make a contribution to the Treasurer’s Advance Authorisation Bill 2023. I would obviously like to cut out the bits that the members for Cockburn and Mount Lawley have already spoken about in terms of the amazing financial position that Western Australia finds itself in, which is absolutely a product of the McGowan Labor government’s incredible financial success and its management of the finances. That is in direct contrast to the position that we found ourselves in when the McGowan Labor government took over from the previous Barnett Liberal–National government in 2017.

The Treasurer requires an advance over and above the potential normal spending in this financial year for very good reasons. I note that it is certainly not unusual. In fact, it has happened every second year of this century. It is very important to acknowledge that part of the reason this advance is required, as the member for Cockburn alluded to and spoke about at length, is that it will enable us to look after our public sector workers, who have done some amazing work within that space over the last couple of years. As a former teacher and deputy principal, I am really pleased to see that teachers, school officers, cleaners and education assistants will all benefit from this decision, which has been made possible because of the strong financial management of our economy. It makes these things possible. I know that schools are very grateful for that. There are other public sector workers who have also either accepted those pay increases or are negotiating them. I absolutely thank all those public sector workers. As all members of Parliament know, our electorate office staff received the benefit of those pay increases as well. I want to say a huge thankyou to my staff, Natasha Putland and Kylie Pilsworth, who have done some incredible work for people in my community of Collie–Preston. They were very grateful and delighted to receive their pay increases. Premier, they thank you. Their message is: keep up the fantastic work!

It is really a result of the McGowan Labor government’s strong economic management that we can invest in communities right across Western Australia in some very important focus areas for Labor governments—that is, education, health, housing and, in particular, creating jobs for Western Australians. I am really pleased to be able to talk about those things today. I would like to first reference the fact that I am the member for Collie–Preston and that my community is obviously in a period of transition. That is something that this government is absolutely committed to. As the local member, I am committed to supporting the community of Collie. Importantly, we understand that this will impact not just Collie itself, but also surrounding areas that are also part of my electorate. People drive to work in Collie. It is about doing the work to replace those jobs for people who both live and work within my town of Collie.

I would like to bring to the attention of the house the Premier’s personal commitment to this process, and thank him for his continued support for the community of Collie. I want the chamber to understand how committed the Premier is to this process. The Premier distributed some heartfelt words to the whole of Western Australia, and I would like to echo those words today. A couple of weeks ago, the Premier made an announcement through his social media network. I know it is a core platform for this Labor government. The Premier stated —

For nearly 100 years, Collie has been supplying Western Australia with the energy and fuel it needed to grow into the strong economy it is today.

The McGowan Labor Government will not forget the contribution it has made to our past—and is committed to securing for the Collie community a bright and prosperous future. Through our Just Transition Plan, now sitting at over half a billion dollars, we’re partnering with enterprise to build new industries, not just in tourism, but in manufacturing, minerals processing, clean energy and in heavy industry.

We’re very proud of the work we’re doing in the town to drive prosperity and create jobs for those in regional Western Australia.

I thank the Premier for those sentiments, as does my community.

I want to thank the Just Transition working group, which was formed in 2019 when the initial steps towards the Just Transition plan were being planned under the previous member for Collie–Preston, Hon Mick Murray. I want to highlight that that process is a community-led process. It is supported very well by the McGowan Labor government, but it is actually the community and the people sitting around that table who are driving that process. I understand that the Just Transition plan is a world-first transition plan for a whole community. I thank the working group for the work it has done and the work it continues to do on behalf of the community.

We recently held the Collie Labour Day Festival over the Labour Day long weekend. Minister Punch attended that; we joked that we allowed him a passport to Collie, because there is a difference between people who live in Collie and outside of Collie. However, he reminded me that he actually attended Collie Senior High School, so we have agreed that that is perfectly acceptable! He was there in his role as Minister for Regional Development to announce some small grants that form part of the commitment that the McGowan Labor government has made to Collie. They are grants of up to \$100 000 to assist local businesses to expand their current operations, to encourage new businesses to open, and to support cultural and community organisations to promote Collie and create jobs in the area. That investment of \$100 000 may not create hundreds and hundreds of jobs, but every little job that those opportunities can create is incredibly important to the total package that this Labor government is delivering.

Extract from Hansard

[ASSEMBLY — Thursday, 16 March 2023]

p1088b-1109a

Mr Shane Love; Dr David Honey; Mr Mark Folkard; Mr Simon Millman; Mr David Scaife; Ms Jodie Hanns; Ms Meredith Hammat; Mr Mark McGowan

The minister announced the latest recipients of grants under the Collie Futures small grants program. A number of people sit on the Collie Futures economic advisory group, of which I am the chair. That group looks at the grant assessments provided by government officers. They make recommendations to our group, and if our group supports a recommendation, it goes to the minister for final sign-off and approval. The oversight of the administration of those funds is a very rigorous process.

There were three grant recipients announced at the Collie Labour Day Festival. One was for the development of ecotourism at Minninup Pool in Collie; the second was support for the Collie Art Gallery and the Collie Art Prize, and I will talk a little more about that in a moment; and the third was for Gibson Country Style Jerky—a new business that has been established in Collie.

ABC South West covered the announcement of those grants, and Minister Punch was quoted as saying how wonderful it was for the Collie community, which it absolutely is. But I was very interested to see that Hon Dr Steve Thomas from the other place was also quoted as calling for more scrutiny and strategy about the effectiveness of the money being spent in Collie. The article states —

“The government is incredibly optimistic about the number of jobs it is going to be able to provide,” he said

“The government’s focused on tourism but that’s not necessarily going to provide jobs for those exiting the mining industry.”

I will speak to all three of those points today. Hon Dr Steve Thomas was quoted in the same media coverage of the announcement of the three small grant recipients, so he is actually criticising those three recipients and previous recipients of that funding. He is also criticising the Collie Futures economic advisory group, which makes grant recommendations to the minister. The economic advisory group consists of a number of community leaders in Collie. They are chosen to assess and make recommendations on those small grants. I would like to personally thank Michelle Smith, who is the representative of the Shire of Collie—thank you for the work you have done. I thank Phil Rabjones, who is a local business owner. He is also a transitioning worker, and he sits on that group. Thank you also to Narelle Michalak, who is the local Bendigo Bank manager; Ijah Coyle, who used to work at Collie Senior High School and now works with the Stephen Michael Foundation and is an amazing proud Indigenous man from Collie; and Paul Sweeney, who is a local business owner and previous recipient of the Collie Futures small grants program. I am the chair. Hon Dr Steve Thomas is actually criticising those people and the decisions they make, and I think that is appalling. I have some great news for Dr Thomas, and I will be sure to pass his comments on to that group so that they are very aware of his thoughts about our processes of scrutiny and strategy.

I highlight the fact that we are creating jobs for not only blue-collar workers, but also everyone in the Collie community, and I will step members through that support. Hon Dr Steve Thomas’s criticism provides me with an opportunity to outline to this house exactly what the McGowan government is doing to support the community of Collie and to create jobs.

I talked about the range of funding available and the fact that the Collie Art Prize received some money under the small grants program, as did Gibson Country Style Jerky. A previous recipient of funding is the Collie Cycle Club, which organised the Collie Labour Day Festival.

The Collie Art Gallery received support from the small grants process in order to run the Collie Art Prize, which is a \$50 000 prize—one of the richest regional art prizes in Australia. It brings together a huge wealth of talented local artists, and a record number of Western Australian artists entered this year’s competition. A Western Australian artist took out the Collie Art Prize this year, and I believe she is a Fremantle constituent of Minister McGurk. Jo Darvall won the Collie Art Prize with her painting *Boranup Forest Light*. That painting is incredible; I walked in and thought, “That’s clearly the winner”, and there were some pretty amazing artworks in the prize competition. It is really interesting that Hon Dr Steve Thomas took the opportunity to criticise those announcements—one of which was the Collie Art Prize—when he actually co-sponsored the Collie Packer’s Prize at the art gallery that evening, and that \$1 000 prize went to another artist. On one hand, Hon Dr Steve Thomas is complaining about the money that the state government is giving to the Collie Art Gallery to run its art prize, but on the other hand, he is sponsoring it. I am not quite sure about that; it does not make sense to me. Anyway, I am a proud supporter of the Collie Art Gallery. I contributed on the night and, obviously, the McGowan government has also contributed through these projects.

Hon Dr Steve Thomas suggested that the government is not creating jobs for people exiting the mining industry. What Hon Dr Steve Thomas does not realise is that a member of the Gibson family, of Gibson Country Style Jerky, exited Muja power station last year, so he is a transitioning worker. This grant was awarded to Gibson Country Style Jerky in order to create new opportunities and new jobs for him and his family. Michelle, the owner of Gibson Country Style Jerky, is exporting jerky right around Australia and has online orders that she cannot fulfil. The grant that she received will allow the jerky manufacturing to go to a commercial level and she will be able to service a much bigger clientele. When we were there for the official announcement of the funding, she had her family, who work

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within the business, and an additional worker with her as well. If that is not creating local jobs and assisting transitioning workers, I am not sure what is.

At this point, I would like to caution Hon Dr Steve Thomas about making glib comments and criticising the government, because he clearly does not know the community. He does not live there and he does not know the stories of the people. I get really frustrated when I see those criticisms about Collie from the other house and Hon Dr Steve Thomas, because we are doing fabulous work on behalf of transitioning workers.

The Collie Labour Day Festival was held over the Labour Day long weekend. The state government contributed money to that weekend through the Collie small grants program. Again, it supported not only the creation of new jobs but also community organisations in Collie. By supporting those community organisations, we are supporting the local economy and creating jobs. I want to say a big thankyou to the state government for its support of the Collie Labour Day Festival and also the amazing sponsors from industry. I can tell members that over the long weekend, thousands of dollars were injected into the local Collie economy.

[Member's time extended.]

Ms J.L. HANNS: I was at the vintage car display, which had a whole range of vintage vehicles. I do not have time to go into the makes and models of all the amazing cars I saw, but suffice to say, over 700 people entered the gates of the show and shine. It was open for about four hours. The Swan Hill Motorcycle Club visited for the entire weekend and it was astounded at how amazing the vintage show and shine car display was. Hundreds of people entered the two-day mountain biking competition, taking advantage of the amazing trails that the McGowan government put into Collie, bringing with them family and friends. In excess of 3 000 people attended the markets on the Sunday of the long weekend. Going back to Hon Dr Steve Thomas's queries about how that grant will create jobs, I can tell him how that is creating jobs. Firstly, all the local hotels and accommodation were at capacity for that weekend—so much so that Collie Senior High School had to open up its school oval to allow people to camp on it. That was an incredible outcome for the community of Collie. Local restaurants were totally booked out and food trucks serviced people who were not able to book into the local restaurants. The local service station worker told me she was run off her feet and said to me, "We are busier than Christmas". The local people were so proud to showcase our community to the visitors who had come to Collie for the weekend. That is how that small grants program can assist my local community and the local economy. It comes back to the support that the McGowan Labor government has shown the community of Collie in its transition.

I have spoken a lot about the small grants fund, but larger funds are also available. Transitioning workers are absolutely targeted with those larger funds. In November last year, the Premier was in Collie to announce three projects that received funding from those larger funds. One was International Graphite, which opened its new Collie processing facility. Graphite is obviously a very important critical mineral to the future of battery production in Western Australia. There was a \$2 million investment to expand Quantum Filtration Medium's Collie manufacturing facility. I know that Minister Whitby could talk at length about Quantum Filtration Medium, having met some of its customers on his trip to Egypt; we will save that for another day. There was also a new investment of almost \$2 million for the next stage of Magnium Australia's proposed Collie magnesium refinery. All those three projects announced out of that funding are set to create more than 400 jobs in Collie. If that is not creating jobs for transitioning workers, I am not quite sure what the opposition expects us to do. That is before I mention that at the Premier's visit in November last year, we announced the opening of the new Collie industry transition fund, worth an additional \$200 million. Expressions of interest for large-scale manufacturing projects are now open. I understand that we have had a number of very significant inquiries from potential industries showing huge interest in that fund.

In showcasing those aspects of the funding that we have received under the Collie transition fund, I want to switch for a moment to the fact that we are not just worried about jobs for current workers within the Collie community; clearly, we are, as we have committed to that and put significant funds in. But I would also like to draw to the attention of the house the fact that we are also looking at creating jobs for young people who live and work in the area as well. Part of the initial stage of the larger funds was the creation of WesTrac's autonomous vehicle training centre. People from all over the state, particularly from Rio Tinto at this stage, are coming to train in autonomous vehicle operation. They then go back to the Pilbara and operate those vehicles remotely. Collie is the centre of training for that workforce, but WesTrac has also partnered with the Motivation Foundation, which is doing incredible work for young people in Western Australia. It has two sites where it runs training for young people—one in the Swan Valley and one in Collie. I am very pleased that in August last year, the McGowan government partnered with the Motivation Foundation and committed to three years' worth of support for the Motivation Foundation. It allocated \$300 000 to the foundation's Motivation Civil and Mining Academy, which supports young people entering apprenticeships in infrastructure, construction and the resource sector. Of the graduates of that program, 90 per cent have gained employment within six months of graduating from the Motivation Foundation project. That is an amazing success rate for young people. Particularly pleasing for me are some of the young people

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who I taught at the high school going on to further their education, really making a difference in preparing them for the workforce.

As part of the Motivation Foundation project, successful students undertake a cert II in civil construction and in resource and infrastructure work preparation, which are two key areas for Western Australia to develop a pipeline of workers for those future industries. They undertake national training and workplace operation experience one or two days a week, and, as I said, the program takes six months for the students to complete, with a 96 per cent employment rate after six months. Last year 175 young people were engaged by the Motivation Foundation across metropolitan and regional WA—as I said, one location is in the Swan Valley and one location is in Collie—and 28 per cent of those students were Indigenous and 22 per cent young women. That is an incredible opportunity being created for women and Indigenous people to take the step into the civil construction and resources and infrastructure sectors in Western Australia. I am really proud to see that this government is supporting workers right across the spectrum in my area of Collie and I thank this government for its continued commitment to my community.

That brings us back to the point that the economy is being managed very well. The McGowan Labor government has done outstandingly well since we took over in 2017. The record spend and fiscal responsibility demonstrated by this government means that we can do great things in our communities. I am incredibly proud to be part of the Premier's team in delivering the outcomes for my community in Collie and the wider Collie–Preston electorate, and I commend the bill to the house.

MS M.J. HAMMAT (Mirrabooka — Parliamentary Secretary) [12.10 pm]: I am also delighted to make a contribution to the second reading debate on the Treasurer's Advance Authorisation Bill 2023 because, as others before me have illustrated, there is a lot of great things that we can reflect on in talking on this bill. At the heart of it, the bill provides authorisation to advance funds so that the McGowan Labor government can continue to do the excellent work that we have been doing for some years.

Again, as speakers before me have commented, one of the great success stories of this government, the work of the Premier and the work of the cabinet, has been in restoring the good financial management of this state. It is really important to remember the dire mess that was left by the former Liberal–National government. Unbelievably, in a time of a resources boom, with record prices for iron ore, the previous government failed in the basics of good financial and budget management and left a significant debt to the people of Western Australia. One of the first tasks of this government on winning office in 2017 was to address that in a way that set the state up for having a sustainable and successful opportunity. Of course, history now tells us that that was a very good decision because the unforeseen, unanticipated pandemic that arrived in 2020 challenged the states in ways that we could not have possibly imagined, but it meant that Western Australia could go through that period and emerge out of it as one of the most successful states in Australia and one of the most successful places in the world. That, coupled with strong management of the health circumstances, is an incredible success story and, rightly, one that should be celebrated and that we are proud of. That is the big picture and a really important story that is important to remember.

I also find it really interesting talking to people day to day in my electorate. I spend quite a lot of time doorknocking to really appreciate and understand what is on everyday people's minds—what their concerns are and what is significant to them. They do not necessarily talk about the big picture, although they understand this was first-rate management of the pandemic, but the thing on their minds at the moment is the cost of living. Again, we have an incredible story to tell about the support we are providing everyday people to manage that. It is an important story about what this government has been able to achieve in managing the economy successfully and sharing that good management with everyday people so that their standard of living is improved. We have done that in a variety of ways by not only helping people meet the day-to-day cost of living, but also investing in the economy, skills and the future so that people can enjoy a better standard of living in the future.

I want to reflect on the energy credit because I get a lot of feedback about it in my electorate. There was \$400 provided for in the last budget and that was paid in June. It came on top of the first energy credit, which took effect from November 2020. Both these decisions were incredibly well received in my electorate. Perhaps that is not surprising, because of the high number of low income earners who live in the Mirrabooka electorate. They are incredibly grateful to have had that credit paid on their energy bills. It has allowed them to use money they would have otherwise spent on their bills for purchasing other things that are really important to their households. I still get an incredibly positive response to that initiative, and people will remember it for a long time because it was provided at a time of difficulty.

Similarly, the other thing I receive a lot of really positive feedback about is the free rapid antigen tests. The government program of having free RATs—COVID tests—in the community has been outstanding. It is easy to forget that this is not something other states have done. Our state has ensured that the community has had access to these tests. They are incredibly expensive for people who have to buy them. Again, perhaps it is no surprise that having access to free tests has been an incredible benefit for people in my community and their families. I still find

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that people are grateful for the supply of tests because they still need them and, as I say, they are incredibly expensive to buy. This government has ensured that our communities have them. It is good public health policy and practice to make sure that the community has the resources it needs to test for COVID, particularly during peak periods. It is an important initiative for making sure that families and individuals do not have to bear the cost burden of purchasing those tests.

Another really important initiative that I get a lot of positive feedback about is the seniors' safety and security rebate. This government is making up to \$400 available to people who have a Seniors Card to upgrade their security. A number of people in my electorate have taken advantage of that. I still find that it is something I talk to people about regularly. They are incredibly grateful for the opportunity to do what might be fairly minor upgrades around the house, but are important in making sure that seniors feel safe and secure in their homes. They can do that in a cost-effective way, so that is another incredibly well received thing in my community.

I also want to make mention of feedback I get about the positive initiative of the two-zone fare cap for people using public transport. The two-zone fare cap has not reduced the fares to get to the city for many people who live in the Mirrabooka electorate, but it means that they can move around the metropolitan area on public transport and travel more significant distances for no additional cost. Again, that has been incredibly well received. It makes sure that people are able to access public transport. Many people in my electorate do not have ready access to vehicles. They do not necessarily have that opportunity if they are on lower incomes, so the cost of public transport can be important to them. These are great initiatives that have ensured that the benefits of the good financial management and discipline of this government have been shared more broadly with the community.

I will talk about a range of other things that are perhaps more targeted. These are concrete things that everyday people raise with me over and over again. They demonstrate that this government is not only listening to the concerns of everyday people, but also responding to them in a way that is making a real difference to them and their families day to day. These are all very positive initiatives, and, as I say, I get a lot of feedback all the time about them. They are very much on people's minds.

For that reason, in my comments today I want to provide feedback to the Premier; Treasurer about the really excellent initiatives that have underpinned the budget. We should celebrate the success of that excellent financial management and we should also recognise the great decisions that have gone into ensuring that we share the benefits of that good financial management in a way that benefits so many people in this great state. There has also been a range of other, more targeted, initiatives, and we have done other great things. Again, good financial management has allowed us to make those investments. As I said in my opening comments, a number of those investments were designed for the economy, which would set up a successful future for both the state and individuals.

I have talked a lot in this place about schools and education because I feel very strongly about them. In my community, our public schools are an important part of transforming the lives of everyday people. Access to a quality education will set up young people for an excellent future. Our investments in schools are something that I am proud of and passionate about supporting. One of the things I enjoy talking about is the performing arts centre that is being built at Balga Senior High School. This is a great project, and there is an enormous amount of excitement for it in not just the school community but also the broader community. An example of why this is such an important project is, as I talked about fairly recently, the success of the Proud Noongar Boys. It is a rap band from Balga Senior High School and has been supported through the Community Arts Network project, along with a well-known Western Australian rapper named Flewnt. His real name is Josh Eggington. They produced a song based on last year's NAIDOC theme, which they entered in the Triple J Unearthed High initiative. People might be familiar with it. It runs special categories for Indigenous students and high school students. The Balga Senior High School song won. It won national recognition for its great tune. It was produced in collaboration with and sung by students at Balga Senior High School. It was a really excellent result.

Last Friday, I was excited to attend the launch of another such collaboration. This time it involved Balga Senior High School, Sevenoaks Senior College in Cannington and the Kununurra PCYC. Again, they collaborated with the Community Arts Network to produce a hip-hop song called *Your Way*. I represented Minister for Education Buti at the launch of that song, which was held at the cinema complex in Innaloo. It had a red carpet and a media wall. A large number of kids from Balga Senior High School came because they had provided backup vocals and were in the video, and students from Sevenoaks Senior College also came. They had the best time. They were like real celebrities. Can I say, it is a great song. They performed it live. They also made an excellent video. I get really excited when I see the potential for what Balga Senior High School will be able to do with a performing arts centre because it is already achieving incredible success in collaborations and is going about performance in a way that keeps students engaged in high school. It is also cool, frankly. The students love to be involved in it. I think they are amazingly talented, and I am very proud of what is coming out of Balga Senior High School. The performing arts centre will be an important part of engaging students in schooling and helping them to achieve great success, regardless of who they are or where they come from. That opportunity is there when we invest in our schools.

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On top of that, we have done some other great things in schools to address climate change issues and provide learning and teaching opportunities for students. Perhaps others have talked about great initiatives like the school battery program. The school battery program will teach students not only about climate change and renewable energy, but also to do something practical about the climate issue. In my electorate, North Balga Primary School, Rawlinson Primary School and Waddington Primary School have received funding to install solar panels. That has been a great initiative for those schools, and people are very excited about those kinds of investments. That is a really important initiative for providing not only teaching and learning opportunities, but also some real practical outcomes around climate. We know that we need to do a number of things and pull a number of levers if we are serious about addressing that issue.

We have also upgraded classrooms to science laboratories or STEM rooms, and I have talked a number of times about that. It is such an important project. As we see the science labs opening and students engaging in learning in them, we understand how important they are. They provide a different learning environment. Instead of a traditional classroom environment, STEM rooms have equipment and facilities and introduce experienced STEM subject teachers. They are creative learning spaces. A lot of students can engage with those subjects in a way that maybe they did not before. By changing the facilities, we provide new opportunities for students to engage in learning. We all understand how important those STEM subjects are to the future of our economy and how we need to do more to encourage people to take them up. We all understand that it is really important to get women and girls engaged in learning about STEM subjects because that will not only deliver benefits for the economy, but also start to address issues associated with the gender pay gap. Having those facilities in our primary schools will help students engage and learn in a new way. Those STEM subjects are very important in igniting what I hope will be a lifelong passion for many of those students. This is an incredibly important program, and we will see the benefits of it play out over a long period. I am incredibly excited about seeing what will come as a result of that.

I want to mention this government's commitment to introducing free period products in schools and at TAFE. This is a really important initiative, and I have had a lot of positive feedback from my community of Mirrabooka. These are incredibly important products for girls essentially, and women as well now that we are introducing them to TAFE, and will ensure that they remain engaged at school and will not find themselves in a situation in which they cannot come to school or be part of the education system because they are managing their period and dealing with whatever complications around that. This is a really great initiative. I have had a lot of positive feedback about it, and I wanted to take this opportunity to report back here how well received that has been. I have no doubt that that initiative will continue to be a really important program to ensure that people remain engaged in our school and TAFE systems.

I promised to finish around 12.30 pm, so I have only a small amount of time left. I have one final thing that I want to include in my comments. I want to give the Leader of the Opposition time to talk as well.

[Member's time extended.]

Ms M.J. HAMMAT: I want to briefly talk about our TAFE system. While we are making incredible investments in our schools, which will set up our economy for the future and set up individuals to be able to access skilled jobs, we are doing the same thing with our TAFE system. It is really important to contrast the approach of this government with that of the former Liberal–National government, which basically gutted our TAFE system by jacking up course fees. In some cases, between 2013 and 2017, the fees were increased by up to 500 per cent. Unsurprisingly, as a result of that, enrolments fell by about 25 000 students. For a long time, our TAFE system has been a key feature in transitioning students from school into skilled work, giving them the skills they need to go into work and power the economy. The former government gutted it. Unsurprisingly, that has had consequences for workforce and skill supply in the years that came after it. This government has set about rebuilding it because it understands how important it is and that a skilled modern economy cannot be built unless there is investment into the institutions that are going to deliver those skills and that training, especially to our young people.

I think what is really important about TAFE is recognising and understanding that TAFE does not just train young people. It often provides support for people who are going back into the workforce after maybe a career break. This is often women because of their caring responsibilities for young children. However, sometimes it is because people are seeking a career change. We are doing a number of things with TAFE and I think they are all great. Part of them is keeping TAFE fees low and freezing them. Now, there is of course the partnership with the federal government to have fee-free TAFE places. Again, this has been incredibly well received in my community in Mirrabooka. This is making a real difference to the ability of people to be able to go to TAFE and get training in the skills that they need to get a job, in areas that we need people to work in the economy. It is a real win–win.

That initiative has been outstanding, and I think it provides a stark contrast between this government and the former government. We are doing a lot of other things as well. I was very fortunate in December to attend the sod turning for the Balga TAFE with the Premier. That is a very exciting project. It is a huge investment in my community of

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Mirrabooka. People are very excited to see that take place. It will deliver a first-class learning institution right in the heart of the Mirrabooka electorate. That will not benefit just the people who I represent. It will, of course, provide benefit more broadly to people around Western Australia, particularly as it provides training in some key industries that we need.

We are also doing things like providing finance to assist TAFEs to upgrade equipment to ensure that students are learning in relevant and modern environments as well. We are doing a number of things in TAFE. Time prevents me from elaborating on some of those, but they are very important. I think what that underlines is the point that I was making at the outset; that is, the good financial management of this government has seen us come through the really challenging times of the pandemic in a way that has meant that we are recognised as having the best health and economic outcomes of any state in this nation, and probably any state in the world. We have used that good management to provide a range of benefits to everyday people, things that people in the community talk to me about all the time. We are making important decisions to invest in the things that matter for the future. Those things will make a difference for people who want to access training and education and they will deliver what we need to grow the economy in the future. They will not grow the economy in just a narrow way. They will ensure that it is diversified so that it will be successful for generations to come. That is why this bill is an important part of that overall story. It is a great story. It is a significant success story of this government. I want to congratulate the Premier, all members of the cabinet and all the members of the government who have contributed to the story so far.

MR M. MCGOWAN (Rockingham — Treasurer) [12.33 pm] — in reply: I thank members for their wideranging contributions on this bill, particularly the complimentary contributions by members of the government. I enjoyed listening to those. That was very kind. I thank members of the opposition for their contributions as well.

As I outlined before, the Treasurer's advance has happened within this century, in most years. In the majority of the years, a Treasurer's advance was required to deal with unexpected expenditure outside out of what was budgeted for. Automatically, there is a three per cent appropriation under the Financial Management Act, which is automatically part of the Treasurer's advance. Under this year's budget, that equates to \$977.5 million. The Treasurer's Advance Authorisation Bill 2023 seeks to increase the limit by \$2.1 billion to \$3.1 billion. It provides the authority to meet higher funding requirements, but does not commit the state to any additional spending. Anything that is not spent simply lapses at the end of the financial year on 30 June.

To illustrate this point, the Treasurer's advance was increased by \$658 million in 2019–20. It was increased by \$689 million in 2020–21, and by \$1.5 billion in the last financial year. This year's Treasurer's advance was mostly outlined in the midyear review from 14 December last year, at whatever day it was brought down. It actually outlined what would be required under this year's Treasurer's advance. It was, essentially, largely detailed then. It particularly related to increases in the cost of infrastructure provision. This is simply something that is going on all over the world. Western Australia is not immune to it. In fact, our increases seem to me to be a lot less than some of the projects interstate. Secondly, there has been the resolution of some wage claims. As we know, a lot of enterprise bargaining agreements have been resolved. It deals with those. There has also been some Main Roads Western Australia spending, which relates to negotiations with the commonwealth over, I think, the road safety program. That meant that there was an additional spend on the state. There was then a buffer over \$542 million that was not allocated, but a large proportion of that will go towards the recovery from tropical cyclone Ellie. Anything that is not spent will remain in the Treasury. As stated later in this bill, the opportunity to spend that money under this arrangement will lapse on 30 June.

I thank members for their analysis of the state's finances. It is true, we have the strongest budget in Australia. We have the strongest surplus position—I think Queensland might be back in surplus, but we have been in surplus for a considerable period. We got the state back to surplus in 2018–19, after four years of deficit under the former government. Our plan is to stay in surplus. That allows us to have much better management of the state's finances. If we are in cash surplus as well, it allows us to pay down debt. We want to continue our good financial management and our good record of keeping interest payments as low as possible. I noticed just a moment ago that some other states' interest payments are now \$10 million per day. We are obviously not in that position.

The midyear review, in which most of this was outlined, has a \$35 billion infrastructure program supporting current and future generations of Western Australians. Our net debt is predicted to be relatively stable across forward estimates. Obviously, we budget very cautiously and conservatively. We do not put in heroic assumptions around the iron ore and mineral prices and spend accordingly, unlike the last government. Therefore, most of the risk is upside. That is a good position in which to be, rather than the alternative. Some people criticise surpluses. By definition, but means they would rather us be in deficit. There is really not any other alternative. It is one or the other. It is not like a government budgets and every dollar that it raises, it spends, and not a dollar more. It does not really work like that. A budget is either in surplus or in deficit. We would rather be in surplus. We are one of the only governments in Australia and one of the only subnational jurisdictions in the world, I think, to be in surplus.

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We obviously received an upgrade to our credit rating last year by Standard and Poor's. I think it was in June. When we met with Standard and Poor's shortly beforehand in Sydney, we explained our processes. They took us back to the AAA. I think New South Wales might have it, which I find rather inexplicable. The commonwealth and Western Australian governments have AAA credit ratings. Obviously, Western Australia is in the best financial position of all the jurisdictions in Australia. Moody's Investors Service has lifted the outlook from Aa1, from stable to positive. I am hopeful that we will get back to Aaa there as well. Standard and Poor's has recognised our success in managing finances, but there are spends. As I said, there are EBA outcomes, increases in the cost of infrastructure and having to deal with cyclone, amongst others. There are some smaller ones as well that were not budgeted for that we need to take account of. For instance, one that springs to mind is our contribution to Telethon Kids Institute. That is what this bill is about and I thank members for their support.

Question put and passed.

Bill read a second time.

[Leave denied to proceed forthwith to third reading.]

Consideration in Detail

Clauses 1 and 2 put and passed.

Clause 3: Authorisation of expenditure to make certain payments or to make advances for certain purposes —

Mr R.S. LOVE: I just want to start with the high-level Treasurer's Advance Authorisation Bill summary sheet that was provided to the opposition that shows that the midyear review expected that a total of \$1.8485 billion would be required and that we are now forecast to draw down \$3.775 billion after this bill passes through Parliament, which I expect it will be. Could the Treasurer explain a couple of allocations to me, please? Can the Treasurer explain the reason for the line "Main Roads repayable—advance for changed timing of commonwealth funding, \$107.2 million"? Can the Treasurer explain when that change was known to him, and when is that money expected to eventually flow into the state's coffers?

Mr M. McGOWAN: Approval for \$107 million has been given in the event that funding is required by Main Roads to cover a temporary commonwealth funding shortfall for works to be undertaken as part of the 2022–23 regional road safety program—the one that Minister Saffioti came up with that the commonwealth adopted around Australia. The commonwealth has recently committed to providing this funding. The state may not receive this contribution before 30 June 2023. As such, the state-funded advance was approved in December 2022. The advance, which has not yet been drawn down by Main Roads but will likely be required in coming months, has provided Main Roads with short-term funding cash flow certainty for the regional road safety program and allowed works and associated payments to progress. Main Roads will repay the advance on receipt of the commonwealth payment.

Mr R.S. LOVE: Thank you. To be clear, Treasurer, is the expectation that the money will be forthcoming? Is there no risk that the money will not be forthcoming in the future?

Mr M. McGowan: The advice I have is yes.

Mr R.S. LOVE: If we could turn to the allocation of the buffer for unforeseen and emerging issues of \$542.1 million, I asked the Treasurer a question in Parliament about this and he indicated that most of that was for the recovery of the Kimberley cyclone. Can the Treasurer give me any detail about how that might be expended, given that it is only three months and a bit until the end of the period covered by this advance? How does the Treasurer expect to see that magnitude of funding or expense actually incurred in that short time? What planning is there for the expenditure of that money?

Mr M. McGOWAN: The member is correct. He asked me about that in question time. This is for unforeseen expenditure that was not included in the midyear review. Most of it was included in the midyear review back in December, as the member knows, but ex-tropical cyclone Ellie happened in early January. The costs include the Kimberley freight scheme. As the member knows, we are doing a subsidy arrangement for Kimberley businesses. That is around \$42 million. The emergency works on roads and barges and the stuff around Willare and Fitzroy Crossing is around \$80 million. The recovery task force operations are around \$13.4 million. At this point in time, the payments to households that had damaged items are \$1 000 each. The further flood recovery package is \$6 million. The contribution to the Lord Mayor's Distress Relief Fund is \$3 million. It also provides financial relief for water and power, and we expect that there will be further costs for that. The cost of cyclone Ellie is hard to know at this point in time, but it is going to be very, very expensive, as the member would understand. The remainder is there in particular if there are any further pressures in the health budget. We have put a lot of money into health, and that continues to happen in order to meet demand.

Mr R.S. LOVE: In regard to the Kimberley flood recovery situation, how much of that money, if any, is actually being supplied through commonwealth arrangements? Is there any expectation that some of that money will be

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returned if it is not being covered at the moment by commonwealth allocations under the disaster recovery funding arrangements?

Mr M. McGOWAN: I am advised that we fund it up-front and then the commonwealth reimburses us, in due course. That may be a while away. It is subject to lots of negotiation under the DRFA. That reimbursement happens subsequently, so some of this money may well be paid back—up to either 50 per cent, depending on the program, or up to 75 per cent, depending upon the negotiations.

Mr R.S. LOVE: I thank the Treasurer. Can the Treasurer confirm that those figures have not yet been arrived at? Has an allocation not been agreed on at the moment?

Mr M. McGOWAN: It is still under negotiation. I think this is standard practice for disasters here and in Queensland, and for the fires in New South Wales and Victoria. It is under negotiation and will be resolved in due course. It depends on the actual costs. We allocate money, but the actual costs are yet to be determined because a lot of it—the road and bridge repairs and the costs to households and house rebuilds and the payments to families and so forth—is indeterminate at this point in time.

Mr R.S. LOVE: The midyear review contains an explanation of the debt position that is expected with changes in the midyear review. Can the Treasurer advise the house what this extra Treasurer's advance authorisation will mean for the final debt figure come 30 June?

Mr M. McGOWAN: In terms of the midyear review, everything contained in the Treasurer's advance is already accounted for, except for the \$542 million added for unexpected contingencies and expenses. As the member can see, a lot of that \$542 million will be spent on matters relating to cyclone Ellie and whatever else that was not taken into account in the debt figures contained in the midyear review.

Debate interrupted, pursuant to standing orders.

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