

## COST-OF-LIVING INCREASES

### *Motion*

**MR R.H. COOK (Kwinana — Deputy Leader of the Opposition)** [4.01 pm]: I move —

That the Liberal and National parties be condemned for their callous attacks on the living standards of Western Australians, including through increases in the cost of living, the GP and hospital taxes, introduction of toll roads, and further increases to fees, charges and taxes.

Earlier in the week I mentioned in my speech on the budget bills that, by virtue of Liberal–National governments at both the state and federal level, we have a rare insight into the dark hearts of those who sit on the other side of this chamber. We now know, through the federal government’s budget, just how much of a moderating influence on the Liberal Party’s policies the Rudd–Gillard Labor government has played in the policies put in place by this government. From time to time we need to consider exactly what our aspirations for the community are. I thought it was interesting that a lot of the analysis in this morning’s *The West Australian* was about what this budget will do for the individual—what it means for the person who lives in this circumstance or that circumstance. A more important question is what this budget means for the standard of living of Western Australians and Australians generally, and, in particular, what this means for the kind of Australia that we want to live in.

What I have witnessed over the last week or so in the state and federal budgets is unfettered Liberal ideology, put in place to create a state and a nation in the eyes of those opposite, which, quite frankly, I find disturbing and I think the community generally finds disturbing. What we see is not only an attack upon individuals’ circumstances but an attack upon the social fabric of our community generally. We have seen an attack upon the institutions that we know have made this country and this society great. We have seen an attack on the social institutions that we know underpin the important values of democracy in our community, looking after those most vulnerable in our community and equality of opportunity. We have seen institutions ripped down, particularly in the past 24 hours, that many people took for granted and which many people thought were part of the Australian way. As I said, without the moderating influence of a Labor government, either at the state or federal level, we see an amplification of the ideological war that the Liberal and National Parties are undertaking upon ordinary working Western Australians and Australians. That is a very sad development for our community. In particular, a lot of these issues go to the social contract that we have in our community. We see a government carefully managing the revenue of taxes in order to create a better community, not simply for big business to let rip, not to charge patients who need health care, not to charge people in our community more for their essential utilities, not to charge people more for taking public transport, despite the great benefits that increased use of public transport provides for our community, not to charge significantly more for education, which we know is fundamental to our sense of equality of opportunity and fundamental to the wealth of our country and our state, and not to cut away at those welfare payments such as pensions and so forth that many people rely upon in order to maintain a decent standard of living.

I want to talk for a short while about the GP and hospital tax proposed by the Premier and the Prime Minister. I am particularly concerned that this tax will fundamentally change the face of health care in Australia. It is ironic that a country such as the United States, which for so many years has struggled with an inequitable, unjust and inefficient health system, as it struggles to put in place some sort of safety net model for people in that system, which ironically it calls Medicare, is aspiring to that important institution in our health system known as Medicare. While the US is struggling to put together something that resembles our system because it admires it so much and because it sees the benefits of our health system, we have two governments in concert trying to pull that very institution apart, attacking that concept that health should be universal and free and putting policies in place that will significantly damage the standard of living for many people in our community, particularly those who depend so much on our health system to maintain a quality of life. I am talking about those people suffering from a chronic long-term illness, those people who are suffering from a disability and require ongoing care and those people who might be suffering from a mental illness and require frequent visits to the doctor. These are the very people who will be most disadvantaged by this policy.

We should remember that the GP tax has no exemptions for people with concession cards and there are no exemptions for children, people with chronic diseases or people with mental illnesses. Everyone will be charged each time they go to a GP. Those people who go to a bulk-billing GP will be charged \$7 each time they go to their doctor. Those people with a concession card will have to pay for the first 10 visits to the doctor. They will be required to pay \$70 a year.

**Mr P.B. Watson:** In Albany, there’s no bulk-billing.

**Mr R.H. COOK:** That underscores the point about —

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**Mr P.B. Watson:** The oldies just won't go and then they'll get sicker and then they'll have to go to hospital so it's going to cost the government more money.

**Mr R.H. COOK:** That is right. This is the lesson that the USA has learnt and which it is now trying to remedy. Unless people have an active engagement with their local doctor, they will not go to have their diabetes symptoms treated or get ongoing care for a chronic disease. So what happens? Because they do not, for instance, manage their medications properly, they get tipped into the hospital system and the treatment they require is significantly more expensive. As many people have observed, the Minister for Health will not be around for many of the budget cuts that are coming our way as a result of the federal government's —

**Dr K.D. Hames:** That \$7 will absolutely have an impact and it is of great concern to us. I do not want to play it down.

**Mr R.H. COOK:** I am talking about the \$8 billion of other cuts, but yes.

**Mr P.B. Watson:** Minister, I was just saying before that we talk about bulk-billing, but we haven't got any bulk-billing in Albany, so the seniors don't go to the doctors because there is no bulk-billing; they go to the hospital. Now they are going to get slugged, so they say, "I won't go."

**Dr K.D. Hames:** On the other hand, I know of GPs who get someone in and then they say, "You'd better come back next week so I can check your blood pressure." There will be a lot less of that happening because people will have to pay seven bucks, so there will be less. Out of that, the taxpayer pays \$35 every time they visit, so there will be a lot less of doctors overservicing like that, which definitely happens.

**Mr R.H. COOK:** I know for instance that when I go to a general practitioner and he says, "Welcome, Mr Cook. We know that you and your family have a history of high cholesterol, so we need to test you for your cholesterol levels, as usual. Here's a script to go to the pathologist to get some blood taken." It may be true that on occasions I have taken that pathology request form and not used it! I am happy to admit that on occasions that has happened. Imagine what it is like for those patients who now have to pay \$7 for those blood tests outside of the confines of the GP's office. They have their pathology request form and they will be charged \$7 to get those tests done. Many people will not get that test done and that test will obviously be extremely important for their ongoing care. Again, what will happen to that particular patient? Sooner or later they will present to an emergency department with symptoms that are very much more acute, with a condition that is very much more chronic and once again, we will see this cycle of expense and cost going from the commonwealth government to the state government, because these people are getting their treatment undertaken in a hospital environment. The concept of a \$7 co-payment for people going to emergency departments will pale into insignificance with what this patient will actually cost the state government because they will have to get all this treatment in hospital as an inpatient. This is a recipe for disaster.

Earlier in the week, in my contribution to the budget debate, I spoke about how health reform is a difficult, complex long-term task and one that the former federal government was championing, and that this government, to its credit, was going along with. The reform was trying to get around this historic process of cost shifting between the federal government and the state government. The provisions in the federal budget are a retrograde step. The federal government's GP co-payment is a retrograde step because, once again, we will go back to the old days of the state and the federal governments trying to push costs in each other's direction. This is the very worst aspect of the Australian health system being brought back to life, all because of a crass, ideological market-driven approach of wanting to put a pricing mechanism in the context of people's health. That, quite frankly, is an attack on our way of life. It is an attack upon the social fabric of Australia and it is an attack on our standard of living. The GP co-payment, as we all know, will be accompanied by another payment, a payment that the Treasurer proposed last week and that was formalised in the federal government's budget last night—that is, a \$7 emergency department payment for those people who go to an emergency department for a case that the doctor or nurse sitting at the front desk decides is not necessary to be treated there. I spoke at length the other night about how that places our doctors and nurses working on the front line in an impossible situation and it is one that quite frankly I cannot see working, and from the minister's comments earlier today, I see that he cannot see how it will possibly work in reality either. It paints a very clear picture about what the Liberal–National governments at the state and federal level have in store for us in relation to an attack upon our standard of living, our way of life, our welfare and those institutions we regard as an important part of our community.

Education has not been spared from either fee increases or funding cuts. Last night we saw some announcements about the deregulation of universities, which will mean that many students who were previously able to undertake education will now either be forced into an unskilled job stream or to take out significant loans, and in taking up those loans, will be forced to take the lowest price available offered by a tertiary institution. One of the principles that has underpinned our post-secondary education system for many years since the Whitlam government eliminated tertiary fees in the 1970s is that people who have the capacity to study at university and

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to get a job, particularly in some of our best institutions, should have the opportunity to do so. Last night that principle was smashed. Members should not forget that we have also seen that principle of user pays implemented in state policies with the fees for technical and further education training places. In Western Australia enrolled nurses will have their course fees significantly ramped up over the next few years, courtesy of this Liberal state government, which again means that people who cannot afford these fees will be forced into lower paid jobs. This strikes at the heart of our idea of meritocracy, of the very principles of equality of opportunity and of the principle that we want the very best people to get an opportunity in life so that we, as a country and a state, continue to advance socially and economically. Over the past week and a half we have seen those institutions attacked by the Liberal–National governments at both state and federal levels, and that is an attack upon the standard of living of Western Australians.

There has been a lot of debate in this place about the cost of living and the increases in fees and charges for Western Australian households. The cost of electricity in Western Australia for an average household has gone up almost 77 per cent since the Barnett government came to office. The cost of electricity has impacted WA households—electricity that people rely upon to maintain their standard of living. The rises in the cost of electricity are being pushed more and more onto individual households that can least afford them. The cost of water has gone up by 90 per cent over the past seven years. The cost of water supply, sewerage and drainage has gone up 63 per cent over the past seven years. Public transport has gone up almost 30 per cent over the past seven years. These public utilities and important institutions upon which people rely to maintain their standard of living are coming under attack. We cannot underestimate the importance of public transport and the role it plays in relieving congestion on our roads, which we all know has significantly worsened since the Barnett government came to power. Public transport also provides a benefit to our community by creating active lives for the people who use public transport and by taking cars off the road. Why does the government want to dramatically reduce the state's subsidy to public transport users? Why the government wants those charges placed so heavily upon the individual user is completely beyond me when we know the social good that public transport provides. I am probably one of the few members of Parliament who is a regular user of public transport to Parliament simply because, from my perspective, I cannot afford to spend an hour and a half travelling from Kwinana to the Parliament in peak-hour traffic. People often use our public transport system in very cramped conditions and the cost of public transport is an impost upon their daily lives. Someone who receives the full SmartRider discount—that is, the 25 per cent discount—pays \$4.28 to travel each way between Kwinana and Perth.

**Mr J.M. FRANCIS:** How many zones is it to Kwinana?

**Mr R.H. COOK:** Kwinana is in zone 4. Someone with the full SmartRider discount travelling from Rockingham, which is also in my electorate, pays \$5.63 each way. Increasing these public transport fees by even a small amount places a significant impost upon those public transport users. The government's policy of winding back the public transport subsidy means that those costs will continue to rise, which means more cars on the road and fewer people inclined to use public transport. The Western Australian and Perth community will lose the health and environmental benefits of reducing congestion.

**Mr J.M. Francis:** What percentage do you think the subsidy should be set at?

**Mr R.H. COOK:** My understanding is that the subsidy has traditionally been set at 30 per cent and the government's policy is to take that back to 50 per cent.

**Mr J.M. Francis:** You mean the fee is 50 per cent; the subsidy is 30.

**Mr R.H. COOK:** That is correct; the subsidy is 70 per cent. I have not seen the economic or policy arguments for reducing that to 50 per cent; I have simply noticed the government's inclination to spend its money on other things. We believe that 30 per cent traditionally has been about right.

**Mr C.J. Barnett:** Most jurisdictions aim for 50 per cent. In Paris and London you can get there. That is an international target. In big cities you can achieve it. In smaller cities it is harder.

**Mr R.H. COOK:** I have lived in London and public transport there is pretty good. A lot of people who live in London do not have a car because they are the beneficiaries of a very extensive public transport system. We are not the beneficiaries of a very extensive public transport system. By and large we are starting to do public transport better. One of the telling comments Hon Alannah MacTiernan made when she was minister—it must have been to an internal meeting, because I am sure she would not have said it in a public forum —

**Mr C.J. Barnett:** I am not so sure!

**Mr R.H. COOK:** That is true too. She would often say that there is nothing remarkable about the Perth to Mandurah railway line because it is retrofitting something that should have been there anyway. As our community expands, we should expand the public transport system to meet the needs and anticipated needs of the community. It is a big ask to say to the government, "In the future we will need a railway line here.

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Therefore, we will build it now.” But that is really the approach we should take; we need to build public transport as the community grows.

Public transport fares are an important part of people’s weekly expenses. An increase in a public transport fare is an increase in someone’s cost of living and people have to make ends meet. Therefore, to reduce that subsidy is an attack on people’s standard of living. In last night’s federal government budget some measures were brought in place around pensioners. In particular, there is some reconfiguration of the indexing of the aged pension. I am still getting my head around the policy detail of that, but my understanding of the new indexation system is that a twice-yearly indexation based on the consumer price index, as opposed to more generous indexation methods, means that pensioners who are already doing it tough and already paying a significant portion of their pensions on housing, utilities and public transport will have to work harder to make their pension dollar go further. That will create a further reduction in these people’s standard of living. This group of people in our community have worked hard and paid taxes all their lives and should be enjoying their retirement years, but they now feel as though they are being attacked by the government. The government is not only undermining the value of their pension, but undervaluing their contribution to Australian society. Sending those messages significantly undermines the fabric of our community and adds to the stress with which people feel they are already living. It is a very sad development that people at that point in their lives cannot sit back and enjoy the fruits of their labour. The small gains that the Abbott government will make from those indexation measures are doing untold damage to the social fabric of our community.

While I am waxing lyrical about the fabric of our community, I want to talk about toll roads. I am not an expert on toll roads and I will not pretend to be. I have some passion and expertise in the area of pokies. When I grew up in Western Australia, there was always one truism about Western Australian politics—one, no toll roads, two, no pokies —

**Mr C.J. Barnett:** Three, no daylight saving.

**Mr R.H. COOK:** It is true. The only time I ever felt physically threatened as an MP was when I first became a member of Parliament and I was at the Kwinana Festival. I must have just been elected. The Kwinana Festival was in about mid-October, and I was elected in September. There I was, happy, enthusiastic and keen to get amongst the punters.

**Ms J.M. Freeman:** I remember when you were like that, member for Kwinana.

**Mr R.H. COOK:** Yes. I must have been at that festival for about half an hour when this guy said, “You!” I said, “Yes. Sorry?” He said, “You’re the one who did it.” I thought, “My God, what have I done?” This man was significantly in my face. He had his children with him. But I was thinking to myself, “This is it. I’ve just become a member of Parliament and I’m about to be hit.” I was thinking, “I wonder what the issue is that has got this man so excited and so angry with me.” He said, “You’re the ones who introduced daylight saving!” I was a bit shocked and taken aback. I said, “Well, in fact it wasn’t me. I’ve only just got here. I wasn’t a member of Parliament at the time.”

**Mr F.M. Logan:** We did trial it.

**Mr R.H. COOK:** We did trial it. He said, “But you still did it!” I said, “Well, actually, it was introduced by an Independent Liberal member of Parliament, backed up by an Independent Labor member of Parliament.” Was it a conscience vote, member for Cockburn?

**Ms J.M. Freeman:** Yes.

**Mr F.M. Logan:** It was a free vote.

**Mr R.H. COOK:** It was a free vote. He said, “But it still happened on your watch!” At this stage I was starting to back away, thinking —

**Mr W.J. Johnston:** The member for Cottesloe criticised the process, because he said that they should just get on and do it.

**Mr R.H. COOK:** I thank the member for Cottesloe for not being successful with that policy, because if the member had had his way, I am sure I would have been decked that day!

**Mr C.J. Barnett:** I gave in because when the trial was on, if I went home on a hot summer afternoon and sort of settled down to have a cold beer, my wife, Lyn, would say, “No, you want daylight saving. Go and sit out there in the sun and enjoy it.”

**Mr R.H. COOK:** We have dealt with daylight saving. The next issue is pokies. I think the Premier misheard yesterday during one of the debates. I think he repeated what he thought the Leader of the Opposition said,

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which was that the Leader of the Opposition supports pokies. The Leader of the Opposition does not support pokies. I know that the Premier continues to not support pokies.

**Mr C.J. Barnett:** That's true.

**Mr R.H. COOK:** I thank the Premier. He said that that is true. I know that the Leader of the Opposition does not support pokies. Long may it reign.

**Mr C.J. Barnett:** It's been bipartisan for a long time.

**Mr R.H. COOK:** Long may it reign because, as all members will have experienced, when we go to the eastern states, the one thing our parliamentary colleagues in other states say is, "Whatever you do, don't let pokies into Western Australia."

**Mr F.M. Logan:** Unless, of course, you're the chairman of the workers' club.

**Mr R.H. COOK:** Yes. No, we must not—never.

The other issue was toll roads. I remember a speech that the then shadow Treasurer Hon Joe Hockey gave at a budget breakfast last year. He said, "You know, the other day I was driving down Forrest Highway and I was thinking what a beautiful piece of infrastructure it was, and no toll roads." I remember thinking that if the Liberals won the next election, that would be coming down the road. Of course, it has come to pass. At the moment we have a proposal to have toll roads on the proposed extension of Roe Highway. Also, the utterances from, I think, the Minister for Transport or the Treasurer were that toll roads would be considered, despite the fact that the funding is already locked in and is not contingent on toll roads in relation to the Swan Valley development. I want to make this point now: this, members, is the thin edge of the wedge, because although we allow tolls to be placed on commercial vehicles, be they heavy or otherwise, the temptation for future governments, particularly federal governments contributing to economic infrastructure, will be to say, "Well, you've already got them on this element of your highways. You should now extend that to other users of the road as well"—that is, extending the concept of user pays. I am greatly concerned about the impact that that will have on the standard of living, because we know what happens then. Poor people use the byways and the side roads and never benefit from the more important and more efficient roads—that is, the toll roads.

I want to finish my speech by talking about the response in the last 24 hours from some of the people in the community to the increases in fees and charges. These are people who have made comments online on the increase in household fees and charges, the cuts announced by the federal government and, in particular, the general practitioner tax and the proposed hospital tax. This particular person, whose name is Diane, has written to me. I think she thought I was a member of the government, so the language is a little awkward in places. But I want to quote from some of the correspondence she sent me. She said —

Dear Mr Cook,

The 2014/2015 WA State Budget has delivered inflated fees for motorist and users of public transport, also utility increases which i consider are unjustified.

This is extremely disappointing when there was a commitment by the state Government that any increases to the cost of motoring would be kept at far below the cost of inflation.

Also as a pensioner I find that the costly increases in utilities such as water and power are also a big hit to the grey brigade. why the double whammy? We copped it from the Federal Government and now also from the State Government. Bend over pensioners and don't complain we are going to shaft you all once more.

I guess you are hoping we oldies will all die from cold or starvation (because we sure wont be able to afford heating during this winter and food will become a luxury not a necessity,) that would solve some of your budget problem wouldn't it if all these pesky baby boomer citizens would just stop living so darn long and do the right thing and die.

This should happen soon enough for a lot of us because we wont be able to afford a car or even public transport to get to medical appointments, or visit emergency rooms at hospitals etc. I know start charging the pensioners for the ambulance services again we will stop using them and that's another saving for the government

Don't whinge old people just forget your contributions you made to this country you are now outliving your welcome.

As I said, this is the sense of pensioners in our community. They feel undervalued by the Barnett and Abbott governments.

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Another constituent, Michelle, said —

I'm on carer's payment for my daughter who is 14, almost 15. In between Abbott's cuts and Barnett's price rises how am I supposed to feed and keep a roof over our head. I'm having enough trouble as it is simply finding affordable wheelchair friendly housing. I would love an explanation for that one.

Linda, another constituent, said —

I work but my husband is on a disability pension So all the increases will effect us. And to top it all off I might lose my job at freo hospital due to the reconfiguration. Hard times ahead. Why couldn't they have spread it over more years than taking 26b the first year

Trudy said —

i work 2casual jobs I've manage to keep my head above water to support myself I'm not on benefits now with petrol going up paying more for medications i don't know how i will keep on supporting myself, i am concerned for my future

A woman by the name of Michelle said —

Hi I'm a young mum of two one daughter with special needs, money is already tight and it's going to get worse! I spend a lot of time in and out of emergency department and drs and private specialist adding the \$7 for gp/hospital visit is going to be more painful. 100 times a year or more I need to take my daughter to a dr my expenses are already \$4000 a year not including private health insurance. I would for see a higher divorce rate and more mental health issues due to financial strain. Surely happy families are worth more than reducing our debt which is one if the lowest debts in the world.

Oh and the bills let's not go there it's a joke already. Some months it's that good quality meat or the electricity bill and well it's the bill as I don't want debt collectors on me. So really the bills are coming before my families dietary needs.....

Sad yep

A woman by the name of Tracey writes —

Im on the front page of the sound telegraph todays issue . Id like to know how low income earners with children are supposed to dig themselves out of poverty when theres no government housing even available for years on end. Ask mr abbott if I and my 9yr old can move in with him on my 700 a fn. You keep kicking the poor till they have no alternative s in life. Crime will go up and suicides will soar. It will be on your head mr abbott when families with single parents take the lives of themselves and children as life is unsustainable. And as for your half a million a yr salary slash that to what im on and see how you live getting red meat once a week. You clown you are disgrace to Australia.

Those constituents' words sum it up; people see their standard of living under attack by this government and the national Liberal government. This is eroding our community and the standard of living in our society.

**MR D.A. TEMPLEMAN (Mandurah)** [4.41 pm]: The motion before us highlights an attack on the living standards of Western Australians. I was away from the house during question time, because I went to Mandurah for a public gathering on a planning issue. It was very interesting speaking to the 250 people gathered to discuss a major planning concern in the locality of Greenfields, in my electorate, this afternoon. The debate and discussion on the impact of the Barnett and Abbott governments' callous attacks on the living standards of Western Australians was an item of discussion. A concern was raised that it did not matter whether one was a pensioner, a mum or a dad with a few children, a student or a person who travels to Perth for work on the Mandurah train; everyone has been hit. The savage attack on the cost of maintaining a vehicle, which came out in the Barnett government's budget last week, has caused drivers major concern. All of these concerns are about the undermining of people's living standards, and that affects the control they feel they have over their lives.

The matter that the public gathering I attended in Mandurah today was about was the attack on the living standards of people who live in Riverside Gardens, in Greenfields. It was about the imposition on the community of a 24-hour McDonalds store, a 24-hour petrol station and a liquor store, which will be located between two schools. The Foundation Christian College is less than 50 metres away and the Riverside Primary School is less than 150 metres away from what is being imposed on this community. The planning process says that it is an approved use, so it has to happen, but I disagree; it is wrong. The simple fact is that the process is wrong. I appeared, along with a number of community members, at a joint development assessment panel meeting on this matter a week and a half ago. I advocated on behalf of the community, as did a number of others. What did the proponents say during their contribution to the JDAP hearing? They said that the people presenting were just being emotional and that they were not qualified to comment on this matter. What a lot of rubbish! The people of

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Greenfields and Riverside Gardens are more than qualified to comment on what they believe their community and their neighbourhood should look like and the sorts of land uses that should be approved in their particular locality. They are more than qualified to do that. At the JDAP meeting it stuck in my craw that the proponent had decided that because it had planning on its side it could just railroad this community. It disgusts me and I think it is appalling.

While I was there this afternoon—as I said, I raced from Parliament at two o'clock to get there in time—a little girl came up to me and thrust this letter in front of me. I will read this letter to the Parliament. It is from a young girl, Halee Norman, who is in year 4, room 3, at Riverside Primary School. Halee wanted me to read this out at the meeting today. As I said there were about 250 people at the meeting. *Today Tonight* was there filming. Halee wanted the letter read out at the meeting and I said to her, “Halee, I reckon we will go one better than that, I will read it out in Parliament tonight.” This letter reflects the concerns of a young girl in year 4—so she would be around about nine years old—about her community and what she thinks the land there should be used for. This proposal is proposed to abut a residence, which is the problem. It is about the living standards of Western Australians. I will not be very long; I will read the letter from Halee Norman —

Good afternoon, citizens of Australia here is something I would like to say so here it is:

I disagree that the bush should go to something so stupid like McDonalds, a petrol station and the liquor shop just to name a few.

Firstly, think about the bird habitats. Birds live there, don't mess with them. You would be an idiot to knock down bird habitats! If you mess with the birds, you miss with me.

Also, there will be lots of pollution in the air. Pollution is bad for the air. I mean there is lots of electricity in the area so the pollution is very bad.

Another reason is that, there will be so many drunk drivers around the school and the Matias thing all over again.

She explains —

For those who don't know Matias —

He is obviously a young person —

Got hit by a drunk driver. Also alcoholics will steal alcohol.

Finally, the houses around the area won't get any sleep. Some kids have to sleep, adults have to sleep and babies have to sleep. All people will hear is “large fries and slushies”. If you lived in the area would you like it?!

Now you can see my point of view that you shouldn't get rid of the bush because there are a lot of habitats in the area, there will be alot of pollution in the air, there will be lots of drunk drivers and the people in the area won't get any sleep!

Thankyou

By Halee Norman

Year 4

Room 3

Mr Acting Speaker, you might ask how this this related to this motion.

**The ACTING SPEAKER (Mr P. Abetz):** I was asking that question.

**Mr D.A. TEMPLEMAN:** I will conclude on this, because it is now in *Hansard*. The fact of the matter is that there are many places in Western Australia, many communities and neighbourhoods, in which people continuously feel a sense of disempowerment. They feel disempowered when they no longer have control over their household budgets, because every time they look, they find they are paying more for electricity, gas and the basic necessities of life. It is an attack on their living standards. For the people of Greenfields, particularly those who live in this area, the parents who have children at Riverside Primary and Foundation Christian College and the seniors, what this proposed development imposes on them is unfair.

That is why I have raised this matter tonight. I told Halee I would do it, and I have done it. Halee, you are now in *Hansard* for the rest of your life. It also goes to the key point: if we continue to erode people's sense of control over their lives when their budgets are eroded, when they feel they have no control over or say in what sorts of things might be in their neighbourhood or in their community, they will continue to feel repressed and disempowered. The Barnett government budget is an example of the continuous disempowerment of people.

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They feel helpless; they cannot control how much it costs to fill their car to get to work or how much it costs now for a Mandurah person to travel on the train. It will cost a worker 20 bucks a day under the government's budget to travel to and from Perth for work. It will cost more for a student who attends university or a training facility in Perth or another part of the metropolitan area to travel to education and training. For the people of Greenfields and Riverside Gardens, this matter I have raised tonight—I thank you, Mr Acting Speaker, for giving me some leniency—is another example of people feeling disempowered.

I will conclude by simply saying that the Minister for Planning has to look at these sorts of issues. It is these sorts of issues that affect people while they are trying to maintain their livelihoods when their budgets are savagely attacked, as will be the case under the Barnett budget that was handed down last Thursday in this Parliament.

**MS J.M. FREEMAN (Mirrabooka)** [4.51 pm]: I will not take much of the time of the house, but I want to contribute to the debate on the following motion —

That the Liberal and National Parties be condemned for their callous attacks on the living standards of Western Australians including through increases in the cost of living, the GP and hospital taxes, introduction of toll roads and further increases to fees, charges and taxes.

As I said last night when I had the opportunity to speak to the budget, the Western Australian Council of Social Service cost of living report clearly warned that the government needed to be mindful of those in hardship to avoid the escalating financial crises of many in the community, but this has clearly gone unheeded and unheard. It particularly has been unheard by this government as much as by the federal government. When people went to the election and marked their ballot papers, they believed their needs and interests would be met. They took on faith the words of the parties they voted for. The people in our communities who can least afford it have been hit by increases in household bills—electricity, water, sewerage and drainage, and public transport. As I said last night, since 2013, there has already been a 25 per cent increase in the demand for financial counselling services, and waiting lists have blown out from two weeks to four to six weeks and it is not possible to make an urgent appointment.

The attacks on basic living standards by both the state and federal Liberal Parties have come as a great disappointment to many in the community. As we all know from the Western Australian report “Sharing the Boom”, not everyone in our community has shared in the boom. We know from other reports that Perth is now the second most expensive state capital in Australia, with Sydney being the first. This has certainly been felt in Mirrabooka; the “Sharing the Boom” report indicates that 65 per cent of extra wealth created by the boom went to the wealthiest 20 per cent of households. It seems to me that much of the state and federal budgets are predicated on the idea that we have some way of affording these increases. But just the increased demand for financial counselling services tells us how that is not the case. In the electorate of Mirrabooka, the average median family income is \$500 less a week than the Perth average, and unemployment runs at two per cent higher. The costs and increases we have seen come before us with this budget and now the federal budget will make life extraordinarily difficult. People in hardship come into my office all the time; for example, a woman called Mary, who came in recently, cannot pay her utility bills. We checked to see whether she could be assisted by a financial counsellor. She can get help under the hardship utilities grant scheme. However, people cannot manage their budgets if they continually need to seek financial assistance; they have to manage their budgets. Mary works, has children in school and pays rent. She is not living at the margins of life. She represents mainstream people in the community of Mirrabooka. The increases in public transport costs will make it even harder for people in Mirrabooka, coupled with the increases in motor vehicle registration and the broken promises relating to the Metro Area Express light rail project.

I raised last night the three-month registration fee and its restriction on payment by credit card. Clearly, that needs to be changed, given the 62 per cent increase and because the concession will no longer be available. The capacity to pay vehicle registration for three months needs to be opened up so that it is easier for people to pay it. That is what people will do. They will pay with the money in the jars so they can meet the increased costs. Meanwhile, because we have seen this greater affluence in Western Australia, people have the idea that people can afford these increases. They cannot. It will place people in great difficulty. What is worse is the federal government's budget in addition to our increases in cost. The state Treasurer's answer was that we have got it easy; let them eat cake. We are better off than New South Wales and only Tasmania pays less because we know what Tasmania is like—it cannot afford to charge its people more for utilities. The state Treasurer's argument was that the governments cannot charge more for utilities in Tasmania because its citizens do not have the income to pay higher utility costs. I can tell him that the people in Mirrabooka do not have the income to pay those utility costs. If the Treasurer wants to argue that somehow Tasmania can be excused for paying lower utility charges than Western Australians pay, due to Tasmania's low socioeconomic status and its lower incomes, frankly, that greater affluence is not being felt in our communities, so that justification should apply also to them.

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I find outrageous the federal government's proposed changes to policies for job seekers. It is proposed that job seekers under 30 will have to wait for six months before receiving a benefit, but they will have to participate in job-search activities before receiving the New Start allowance. I should think they will have to go to Centrelink and register themselves as unemployed and go through the search process. They will then have to submit something twice a week. They will have to go through a bureaucratic process. If someone working in the mining industry is 29 or 28 years of age, and the mining industry declines and they are made redundant, they may not be eligible after being redundant for six months. They will be able to clearly show they have been unemployed for six months; there will be no record of them paying payroll tax anywhere. What will happen after six months when they have used their redundancy money and they front up to Centrelink? Will they be told, "No, you may have drawn on all those resources, but you didn't register?" It almost means that all members of Parliament had better write to all the people in our electorates who are under 30 years old to tell them that if they become unemployed they must make sure they march down to Centrelink and wait in a long line and get cattle-class treatment, which often happens to people at Centrelink because the federal government has made it a place where people do not feel welcome. They should be told that if they do not put their name down early, boy oh boy, will they be in trouble trying to get any unemployment support under the proposed federal system. But why 30? Is 30 suddenly the new 18? They say that the 50s are the new 40s, but why 30? Someone aged 30 usually has responsibilities—financial responsibilities, child responsibilities and a whole bunch of other responsibilities. My understanding of the new work for the dole scheme for under-30s is that they will remain on youth payments and receive income support for only six months, so they will get it and then lose it, and too bad if they have any financial commitments. What is this? What sort of penalty system is this at a time when the mining industry is about to go into a downturn? These are the government's colleagues, and government members have to go and speak to them. This will lead to people operating in a black market; it may or may not reach the stage where they are breaking windows, but if they have to jump through so many hoops to continue to receive an income that is sustainable in terms of financial security, why would they participate in a civil society that has been established by government? Why would they do that?

In the September quarter, unemployment in Mirrabooka was 6.3 per cent, compared with 1.8 per cent in Nedlands, Hillarys and Kingsley; the youth unemployment rate tracks even higher. This seems to me to be completely unfair and unconscionable. The tightening of the disability support pension is also unconscionable. I do not know whether any other members have experienced the situation of having people come into their office who have been classified by their doctor as qualifying for disability support, but have received a letter to say that they cannot access that support. This has happened already. For a medical practitioner to say, "No, you cannot work," and then the employer saying, "You must work," leads to a cycle of depression; I know that, from WorkCover. Employers, people without medical capabilities, would say to people, "Yes, you're fit to return to work", while the doctors would say the opposite, and it leads people starting to doubt their own illness and their own abilities. It leads people into a deep, grey cycle of despair.

But that is okay, because we are also cutting company tax! We are cutting all these other things, increasing the price of pharmaceuticals, decreasing pensions and bringing them back to the consumer price index, and all these other things that will attack our social system, but that is okay, because we are going to cut company tax by 1.5 per cent. Does that not say something about the priorities of this government? What is even worse is the government's attack on universal health care and the imposition of an extra \$7 fee to visit the GP. I was enlightened by the Minister for Health's comment that if doctors continue to bulk-bill and not collect the \$7, it will just be taken from them so it will undercut their own income. I am sure there are some medical practitioners out there who will do that, because they believe in the principle of people being able to access universal health care. But really, what we are asking our doctors to do is to become tax collectors.

The member for Kwinana pointed out that there are no concessions for concession holders, and one of the biggest issues that we face at the moment is obesity in our community. This will only lessen doctors' capacity to talk about the health and wellbeing of our community. It is my understanding—I would appreciate it if the Minister for Health could provide some further information—that we could save just as much money by scrapping the \$7 GP tax and instead removing the necessity for GPs to provide referral letters to specialists, or at least follow-up referral letters to specialists. Every time someone has to go back to a GP to get a referral letter to a specialist, it hits Medicare again, and then there is the repetitive process of having to go back again and again. Clearly, the AMA defends that, because, "We know a lot about your health and we know what's going on". However, just as an example, my partner goes to a skin specialist; I grew up in Scarborough and went to Scarborough Beach a lot, so I also go to the skin specialist, and I am happy to go to the skin specialist that my partner goes to on a regular basis. However, I cannot just book in to see that skin specialist; I have to go to my doctor for a referral. Can anyone tell me how often that would happen in our system? A bloke on talkback radio yesterday said that he had serious cancer, and that every three months he had to go back to get a referral to a specialist. There are other ways to save money.

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**Mr M.H. Taylor** interjected.

**Ms J.M. FREEMAN:** Yes; it is a six-month treatment and he gets a three-month referral. I have to say that there must be better ways to save money in the system. The minister said that this will stop those people who visit GPs unnecessarily, but this will just divert them into our hospitals. Coming from a background in workers' compensation, I know that people who think that they need medical treatment will continue to go into the system, and this will penalise everyone in our community for the sake of a few, it will not save any money, and it will turn GPs into tax collectors.

Consultation fees for visiting GPs were abolished in Germany on 1 January 2013, after having been introduced in 2004. According to an article headed "Healthcare: another thing that the Germans just do better", which appeared in the *New Statesman* of 4 June 2013 —

Co-payments, as they were called, of €10 if you visited the doctor in any given quarter or if you went to a specialist without a referral, were introduced by Schroder's government in 2004.

...

As you would have predicted the charges deterred many people from going to the doctor.

...

Even on the projected revenue the German government did not meet its targets. When the abolition of co-payments was debated in the Bundestag last November the Financial Times Deutschland reported that medical practices spent approximately 120 hours a year collecting the fee, a total administrative cost of €360m. Once it came to a vote —

They voted it down and abolished the consultation fee.

We know that all people in all income brackets have to meet costs, including mortgages and other financial costs, so we know that people will be deterred from seeking medical help if there is an additional fee. This is an outrage; it undermines our universal health system, and there are better ways of doing it.

When we see some of the comments about this, we really become concerned about people's feelings of uselessness in society. The member for Kwinana read out the comment about the government just wanting baby boomers to go away and die. When changes are made that make people feel this vulnerable and useless in society, we create a less optimistic society, and a non-optimistic society is not a society I want to live in. We want community members to feel worthy of their contributions, and they should not be penalised.

I am very disturbed by the unrestricted fees on university students; I think that will prevent young people from going to university. Our universities, at the moment, are very much divided along socioeconomic lines, and this will only make it worse.

**MS R. SAFFIOTI (West Swan)** [5.09 pm]: I rise to make a brief contribution to this debate, particularly following on from some comments I made on this issue earlier today. Over the past week we have seen a significant and extraordinary attack on the lifestyles of Western Australians. I have never had to say this before, but today, when I woke up, I felt genuinely concerned about the future for my children. I have always acknowledged and appreciated the fact that Australia is a fantastic country to live in. We have enormous opportunities and, compared with many countries, we have a sense of equity and fairness. However, this morning when I looked at my little four-year-old, I have to say it was the first time in my nearly 42 years that I felt genuinely concerned about the future for my kids. I do not say that easily. But what we saw last night in the federal budget and what we saw last week in the state budget is that we have a federal government and a state government that are completely ignorant of what it is to be Australian and what we need for our children.

I went to good public schools. I went to Roleystone Primary School, Roleystone District High School and Kelmescott Senior High School. I got a very good education. I went to university, and I was one of the first groups to go through the pain of the higher education contribution scheme. Although I am not rejoicing in the fact, HECS was still affordable in some way. However, when I look at my children, I am extremely concerned about what sorts of costs they will have to incur if they want to go to university. I am also concerned about housing affordability. Many of us in this chamber bought our home before 2005, and we have some equity in our home. People who do not have equity in their home are facing significant issues. This state government and the federal government are making things much worse for those people.

I first want to go through the attack on people's living standards. This is an attack on all Western Australians and all Australians. The member for Mirrabooka talked about people on the disability support pension who may be unemployed for a certain period of time. I find it extraordinary that we would say to someone who is 29 and

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finds themselves unemployed, for whatever reason, that they will not get any income for six months. It is beyond belief that we would do that to anybody.

The picture painted by the conservatives is that if people work hard, they will be okay. It is ridiculous to say that nowadays. A lot of people work hard, but not everyone is okay. Many people work hard and are in low-paying jobs or they have financial commitments that they are trying to keep up with. What I keep seeing in life is that we are all only two bad decisions away from being hard-up.

**Dr A.D. Buti:** One pay packet.

**Ms R. SAFFIOTI:** Yes, one pay packet, or two bad decisions. Anyone can find themselves without a job or homeless or with serious financial problems. We are all only two bad decisions away from being in that position. That is my view of life. This idea that people who are unemployed or people who are on a disability support pension are somehow less worthy Australians is just ridiculous. It is mean-spirited. Frankly, it is not the Australia that I grew up in, and it is not the Australia that I want my children to grow up in. If people do not have a strong family network nowadays, they will be completely ruined. My children might find themselves unemployed. Hopefully I will be around to support them if that does happen; but, if I am not, what will happen to them?

I do not want to be too emotive here, but I cannot believe that some conservatives can call themselves Christians and then attack those who are less well-off. I cannot believe that people can call themselves Christians and then find it okay to diminish people and put them on the scrapheap. I find that completely hypocritical.

**Dr A.D. Buti** interjected.

**Ms R. SAFFIOTI:** That is the whole basis of Christianity as I understand it—the Christianity that I believe in, anyway. It is not to attack the vulnerable. It is not to say let the vulnerable perish. That is the complete opposite of what I believe it means to be a Christian. I have never been able to understand why some people who say they are Christians support the Liberal Party. My mother is a good Christian. I can tell members that she would never be out there kicking the poor.

As I have said, we are all only a couple of bad decisions away from ruin. I have heard it said by a member on the other side—I will not say which member, but it is a member who is pretty well off and drives a good car—that the reason he has a good car is because he worked hard. Geez! Not everyone who works hard can afford a \$100 000 car. Nowadays, it is different. Society has changed. People work hard, but because the cost of living is so high, it is hard for them to get ahead. People cannot accumulate wealth just by working hard. It is not that easy; if it was that easy, a lot more people would be wealthy. People accumulate wealth either because their parents helped them, they were given some inheritance, or they are smart in some ways in relation to maybe playing the financial markets. I cannot understand how people can, for purely political reasons, kick people who find themselves in a vulnerable state. I have an uncle who is on a disability support pension. I am happy that he is 60, because if he was 25, the situation would be completely different. At least he is at the latter part of his life and has some equity behind him. What the federal and state governments are saying to the younger generations through the budget is absolutely callous and immoral.

I now want to move on to the typical household and how both the state government and the federal government have attacked, in a sense, middle Australia. Many of the people who voted for the Abbott Liberal government did so because they believed that the leader of federal Labor at the time, Julia Gillard, the then Prime Minister, lied about the carbon tax. We now have a Prime Minister and a Treasurer who have broken every promise they made. I want to go through how a typical household has been hit in the past week by both the state government and the federal government. They wake up in the morning and they turn on the lights. The state government has increased the cost of electricity. They go into the kitchen and make themselves a cup of tea. The state government has increased the cost of water. They get ready to go to work and to get the kids to school. If they drive to work, they will now have to contend with the new fuel excise. The cost of running their vehicle has also gone up, because the state government has removed the \$36 concession that remained for registering a private vehicle. If their kids get on the bus to go to school, the 50c fare has increased. When we introduced the 50c fare, we thought it would last for decades because no-one would increase the cost of public transport for schoolkids. However, this government has done that. If they catch a bus to go to work, the cost of public transport has gone up for them as well. Of course, if they fall sick during the day and need to visit a hospital or see a doctor, we have this new tax. It is a tax on the sick, which is beyond anything I thought any government would ever introduce. Then, of course, there are the hospitals and schools. Do members remember when Kevin Rudd was trying to throw more money at the states for running our schools? What did members of the state Liberal Party say? They said, “No, we don’t want any more money to run our schools. We’re out there cutting school funding. We don’t want any more money to actually help fund these schools”! School funding has been cut by the state government and will be cut further by the federal government. As I said, the health system is underfunded, and,

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of course, there are the toll roads. Again, that completely undermines what I understood we in Western Australia had always stood for, which is no toll roads. The state Liberal government made a commitment to not introduce toll roads, yet now it will introduce them. We have seen a complete attack on the cost of living.

I want to make a point about people who criticise the modern generations and say that we want too much—I am not a part of the modern generation; I am generation X. I remember when the Premier said about housing affordability, “Lower your expectations.” Housing costs are high everywhere, despite what the Treasurer keeps saying about how the government has kept a lid on land prices. The Housing Industry Forecasting Group’s report, “April 2014 Update”, shows that in June 2013 the median sale price for land was \$239 000 and in March 2014 it was \$307 000. Basically, that is an \$80 000 increase in the median sale price for land in less than a year. I want to keep going on this issue because it is very, very important. My criticism of the Treasurer is that he analyses —

**Mr W.J. Johnston:** He makes stuff up!

**Ms R. SAFFIOTI:** He makes stuff up. He is so concerned and preoccupied with Labor that things are happening around him that he cannot deal with or even inform himself of. He probably has files on everything that Labor did but nothing about what the government is actually doing.

I want to talk about this land issue. The issue is that prices have gone up substantially. Another key point is that what is hidden in this significant land price increase is the reduction in block size. There will be a limit to how small these blocks will go, which I will now talk about. The report of the Housing Industry Forecasting Group states —

Price rises have been contained through the 5% fall in lot sizes. Lots in the Perth metropolitan region are now averaging only 408m<sup>2</sup>, which is the second smallest in Australia after Adelaide. Whilst the average lot size in Perth is forecast to fall to 377m<sup>2</sup> over the next six months, it is questionable how long overall price increases can be buffered using this methodology, particularly as the per-square-metre rate has risen 13% over the —

Last 12 months. Government members have come in here and talked about land prices while over the past 12 months they have overseen a 13 per cent increase in the cost of land—13 per cent! The idea that land and house prices increased in 2006–07 and have stabilised is absolutely false. It is another example of a Treasurer who will say anything. Like I said, we will go and check what he says. It is not just some commentary or article written in *The West Australian* that is then thrown away the next day. When the Treasurer stands up in Parliament and speaks, we go and check it. I have to say, we have found that the Treasurer has stretched the truth or lied about the real situation nearly every time. As I said, the average lot size fell 4.9 per cent over the same period there was a 13.3 per cent increase in land prices.

I also want to talk about land availability because it is an interesting issue. We have seen a massive increase in land prices, but I will talk about housing stock because I know that the Treasurer is obsessed with it. I will continue to quote from the government’s own report that was released two weeks ago. It states —

The availability of stock is causing major sales volatility with stock being snapped up as soon as it comes to the market.

...

Across Perth there are a number of developments with zero or ... low stock volumes as of 31 December 2013, with some reporting no stock being brought to the market over the next six months.

This is a government that has it all under control—a 13 per cent increase in land prices and real questions about stock in the marketplace! The government has done nothing to address the issue of housing affordability, which is one of the key cost pressures in this budget. Yesterday we heard the member for Cockburn talk about the capital investment program and how the government is cutting the amount of investment in new housing under the housing and works portfolio. Today, the Treasurer talked about new housing undertaken in about 2009–10 that was primarily funded by the Kevin Rudd stimulus package.

[Member’s time extended.]

**Ms R. SAFFIOTI:** The housing injection that occurred at that time was primarily funded by the federal Labor Party. Any impact housing stock had on housing affordability was because of federal Labor. This idea that land costs have plateaued and that the issue of land availability and affordability has been put to bed is absolutely false. The government has done nothing to address it—nothing! Even worse, it is oblivious to what is happening in the market. The Treasurer, whose main concern is to look after some of the cost pressures to industry and consumers alike, can only stand in Parliament and give a historical snapshot of what happened 10 years ago. He has no understanding of what is happening in the market now.

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I talked before about the GP and hospital taxes and the cuts to health and education funding. The Liberals are seriously undermining the cost of living in WA and housing affordability. They are attacking the most vulnerable in our society. I am appalled by what the federal Minister for Finance, Mathias Cormann, is doing. The federal finance minister is from WA, but what has he done about the GST? Absolutely nothing. He is the finance minister but he has done nothing to create for WA a fairer share of the GST. Julie Bishop was agog and aghast at WA's share of the GST, but now that she has some power to do something about it she has done absolutely nothing. The cigar-smoking Mathias Cormann is ignorant to the needs of Western Australians. I know that government members will find it hard to talk about Mathias Cormann, given his power in the Liberal Party. However, I would have thought he would do something about getting Western Australians a better share of the GST. We did not think he would be raiding the pockets of Western Australians up and down the state through increases in fuel levies and the introduction of GP and hospital taxes. As a result of the past week, I am now deeply concerned about the future of this state and the future we will hand to our children and grandchildren. We have seen the complete undermining of key values, such as free health care in Australia, and the ability for people to access university education if they want to and are able. Those key pillars are being withdrawn, and we have a side of politics that does not care about the vulnerable or sick and kicks people when they are down. I believe that is an un-Australian way of dealing with our society and community.

**MR S.K. L'ESTRANGE (Churchlands)** [5.30 pm]: I rise today to contribute to this debate, after having listened to a lot of different things from members opposite with regards to budgets. Today they talked about the Western Australian budget and the federal budget, and now they are talking about it all over again under the guise of the living standards of Western Australians with this motion that the Liberal and National Parties are to be condemned for their callous attacks on the living standards of Western Australians.

Members, I really do not understand which planet members opposite are on. Earlier today the member for West Swan was flapping about, raising the white flag, capitulating to federal centralist east coast Australia, as if to say, "Let's give all the money to the east coast—to the centralists—and hope for the best for WA in the future." That is what I heard her say. She said that this government failed to accept its responsibility to the Western Australian people and to hand over all its savings to the east coast; that we should just give it away and hope for the best in the future. Member for West Swan, thank goodness for Premiers like Premier Barnett, because he did not capitulate. He recognised the importance of federalism.

**Dr A.D. Buti** interjected.

**Mr S.K. L'ESTRANGE:** Member for Armadale, he recognised the importance of federalism and the importance of state rights, and that is why he stood firm against an incredibly shaky federal Labor government at the time that had an almost unconscionable set of leadership principles led by, first, Rudd, then Gillard, then Rudd. What a debacle! Yet the member for West Swan would have us hand over our money. That is a disgrace. This government is not about capitulating to the east coast; this government is about setting up Western Australia for its future and ensuring that Western Australians get the best opportunities in this country. It is just a shame that the rest of the nation has not caught up with us. I think what is necessary moving forward is that we do our absolute best to help the rest of this country recognise that Western Australia's success is Australia's success. Australia can live off the back of Western Australia through not only our resource sector, but also through innovation and the development of technologies and industries that will be to the long-term benefit of all Australians. To the east coast and members like the member for West Swan—who thinks we should just hand over the money and responsibility, fly the white flag, shut the shutters, pack up shop and leave and hand it all to Canberra—I say shame, because that is not what we are about. We are about setting up for success in the future.

I think what has also been lost in a lot of the arguments opposite is that they are talking about the incredible difficulties being faced by some Western Australians under this budget. Absolutely, yes, there are some people doing it tough out there—no doubt. There always have been groups of people out there who need the support of government. They need a compassionate government that is able to support them in their time of need with the things that matter to them most, be it health, education, helping them start up a business or helping them understand where they come from—whatever! This is a compassionate government that is there to help and support and provide the framework for success. That is what this government is doing.

Looking at some of the things we have tried to achieve in this budget, which is all about paying down debt and setting us up for success, yes, there will have to be some increases in costs. But we need to look at these increases in costs relative to the costs for Australians in other states. It would be remiss to not do so. To simply leave prices exactly where they are—although I would love that to be the case; my budget would be much better for it—is not fiscally responsible. We must make decisions to increase the costs that we believe are in the best interests of our longer term future, while at the very least doing our best to try to help those in need. An example is the first home owner grant: yes, we are changing the concession, but we can look at it relative to other states. From 1 July 2014, the Western Australian first home buyer transfer duty for a \$450 000 property will be \$3 838.

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Yes, it is a hit that will have an effect, but relative to the rest of the country in New South Wales it would be \$15 740; in Victoria it would be \$11 382; in South Australia it would be \$18 830; in Tasmania it would be \$16 123; and in the Northern Territory it would be \$20 057.

**Mr J.M. Francis** interjected.

**Mr S.K. L'ESTRANGE:** Thank you, minister.

Let me say it again: \$3 838. Yes, it is a hit in the back pocket—we accept that—but we cannot rein in debt or operate a fiscally responsible budget without adding some costs. It is simply not responsible to leave it alone. Yes, it will affect people—we get that, member for Warnbro—but relative to the rest of this country, we are offering the best opportunities to Australians who want to reside in Western Australia. That is the point that needs to be understood. It is the context of this budget that must be understood, not, as the member for Mirrabooka likes to refer to—I heard her the other day talking about a Gini coefficient—the classic, age-old chestnut of Labor Party rhetoric of the rich getting richer and the poor getting poorer. Get out the red flags, line all the union troops down the streets and march to the steps of Parliament! What a disgrace this Labor opposition is! It is a disgrace because it is completely out of touch with where Western Australians sit today. Western Australians are not interested in negative rhetoric around class warfare. They were not interested in it when the Labor government tried to introduce it, and they are not interested in it today. Members opposite would do well to learn from that. If the Labor Party continues to badger the Australian public into thinking there is a class war going on in which they are being overtly disadvantaged, the Labor Party will continue to lose. It is that simple. I think it would be healthy for our system of government to have an effective opposition to keep us accountable, but right now the Labor Party is letting everybody down, and it needs to understand that the class warfare rhetoric is appalling and needs to be shelved, gotten rid of, and the Labor Party needs to move on.

**Dr A.D. Buti:** Members of the Liberal Party never talk about class warfare, do they?

**Mr S.K. L'ESTRANGE:** No, we do not talk about class warfare.

**Dr A.D. Buti:** What happened for six years under Rudd and Gillard? When the mining tax was brought in, all you ever talked about was class warfare!

**Mr S.K. L'ESTRANGE:** Member for Armadale, let me talk about utility charges, about which the Labor Party bangs on. Listen to this: Western Australians pay less for electricity than people in any other state—full stop, period, done. Yes, the government has put in place an increase in the cost of electricity.

Several members interjected.

**Mr S.K. L'ESTRANGE:** Let me repeat: Western Australians pay less for electricity than people in any other state.

Several members interjected.

**Mr S.K. L'ESTRANGE:** How many times do members opposite want me to say this? Western Australians pay less for electricity than people in any other state.

**Mr P. Papalia:** They live here; they don't live anywhere else!

**Mr S.K. L'ESTRANGE:** Yes, they do live, and —

Several members interjected.

**The ACTING SPEAKER (Ms J.M. Freeman):** Thank you, members. Member for Churchlands, you have the floor.

Several members interjected.

**The ACTING SPEAKER:** Thanks, members. I just quietened them down. I am happy to call you, because you spoke after me, if you do that again. I am going to sit down, and maybe we will not have a debate across the floor. The member for Churchlands has the floor.

**Mr S.K. L'ESTRANGE:** The minister just provided me with a bit of information. Around \$400 a year is the average household electricity subsidy provided by this government. This is a government that, yes absolutely, has increased costs, and, yes absolutely, we would like to not have to do that.

**Dr A.D. Buti:** And increased the debt.

**Mr S.K. L'ESTRANGE:** But it would be fiscally irresponsible to not do that. Let us talk about that increase in debt. I will get to the member for Armadale's point in minute. Nobody is denying that we have increased rates and charges, but relative to the rest of this country they are the most affordable rates and charges in the nation—full stop. The member for Armadale mentioned debt. Let us have a look at what Western Australians are looking

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forward to over the next 50 to 100 years. I will tell members what they are looking forward to: they are looking forward to Perth Stadium; they are looking forward to Perth City Link; they are looking forward to Elizabeth Quay; they are looking forward to a new museum; and they are looking forward to the Forrestfield–airport link, as is the member for Forrestfield—there is \$2.02 billion there. Here is the *pièce de résistance*—this is the bit that absolutely floors any policy that the Labor Party has ever presented either in government or in opposition in this place—here we go: Fiona Stanley Hospital, \$1.8 billion; Perth Children’s Hospital, \$1.2 billion; Midland Health Campus, \$360 million; Joondalup Health Campus, \$218 million; Karratha health campus, \$207 million; and Busselton Health Campus, \$120 million. Not only do we have people in Western Australia enjoying the fact that their utility charges are the least expensive in the nation, but if they get sick they have the best opportunity to be looked after in the country.

**Dr A.D. Buti:** Member, with last night’s federal budget, how do you think the state of Western Australia—it does not matter who is in government—will be able to afford the health and education cost that will be imposed on state governments with the new federal Liberal Party policy? How will any government in Western Australia be able to afford to service that?

**Mr S.K. L’ESTRANGE:** I am glad the member raised the point about education.

**Dr A.D. Buti:** What about health?

**Mr S.K. L’ESTRANGE:** First of all, with health I think this \$7 fee is federal government policy.

**Dr A.D. Buti:** Don’t worry about the \$7 fee. I mean the fact that the federal government is going to move out of it and has said that we are going to have to fund it. Its policy last night was that it was going to remove \$80 billion over the years. It does not matter whether it is a Labor or Liberal government, how are we as a state going to be able to service our health and education budgets over the years if the federal government continues with its policy?

**Mr S.K. L’ESTRANGE:** Member for Armadale, let me come to that in a moment, because I want to come to it. I want to talk about the vertical fiscal imbalance because I think that is where the member is going, so I will address it. In fact I will go to that point now. A feature of Federation in Australia is the extent of imbalance in revenue-raising capacities and spending responsibilities of the different tiers of government; that is what the member is referring to now and we call that the vertical fiscal imbalance. In essence, the vertical fiscal imbalance that the member for Armadale and I are obviously aligned to in our thinking right now—we recognise it is an issue—is that the commonwealth raises revenue in excess of its spending responsibilities, but it is vice versa for the states. Yes, that is absolutely an issue and that is exactly why the member for Armadale needs to sit down with the member for West Swan and have a good, hard chat with her and tell her that putting up the white flag and saying, “Hand it over to the south east of Australia to run this state”, is a ridiculous concept, because I tell you what, that vertical fiscal imbalance would be pretty atrocious if that were the case. I think we would be let go. Does the member know why I think we would be let go? Because I think where the voice of national power resides is where national policy is made. Guess what? Fifty-eight per cent of the members of the House of Representatives in the Australian federal Parliament exist in New South Wales, the Australian Capital Territory and Victoria.

**Dr A.D. Buti:** The question still remains though: how are we going to raise the revenue to finance our —

**Mr S.K. L’ESTRANGE:** It is almost as if I have put the member there as a prop! I will get to that in a moment. I appreciate the member’s interjections and I will get to that. On page 21 of the 2014–15 budget fact sheets there is information about long-term reform, which states —

The GST Distribution Review final report put forward a long-term vision of an equal per capita distribution of GST grants, with the Commonwealth Government providing top-up equalisation payments to the smaller States (similar to a joint proposal by Western Australia, New South Wales, Victoria and Queensland).

The vision also included a reduction in Australia’s vertical fiscal imbalance, which would be achieved by reducing the level of specific purpose funding to the States, and more closely matching revenue raising and expenditure responsibilities.

Such a model would help address many of the problems in Australia’s federal financial relations but requires a commitment to reform from the Commonwealth Government. The State Government will continue to actively participate in the Commonwealth Government’s White Paper processes for reform of the Federation and national tax reform, including arguing strongly for reforms to the way in which GST revenue is distributed among the States.

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This government in its own current budget papers acknowledges exactly what the member for Armadale is saying—that is, yes, there is a vertical fiscal imbalance going on; yes, it is like trying to run the most prosperous and successful state in this nation with one hand tied behind our back. That is what it is like; that is what this cabinet has to deal with every single day. While it puts up with the whingeing, moaning, the class warfare and the nonsense about capitulating to federalism and whatever, when members opposite go on about that, on this side of the chamber the government is governing with one hand tied behind its back, and it is not easy.

**Mr G.M. Castrilli** interjected.

**Mr S.K. L'ESTRANGE:** Absolutely; it is not easy. I took some information from “Towards Responsible Government: The Report of the National Commission of Audit—Phase One” from February 2014, which states —

Section 96 of the Constitution allows the Commonwealth to make conditional grants of money to the States for any purpose. This power allows the Commonwealth to influence the way things are done in areas where it has no direct power to pass laws.

That is an absolutely key point: no direct power to pass laws. Who has the power to pass the laws that impact on the majority of Western Australians and the way they live? We do. But who takes most of the money? They do. It is a joke and, yes, members opposite can stand over there and argue that the federal government is not looking after us and how we are going to deal with it; absolutely, we agree. That is exactly why this government is doing its absolute best with one hand tied behind its back to progress the state so that it remains the most productive, efficient and forward-looking state in Australia, and that is reflected, as the member for Armadale knows, in why we had 80 000 people come here last financial year.

**Mr G.M. Castrilli:** In a few years' time it will be down to 11c.

**Mr S.K. L'ESTRANGE:** Absolutely, and it is because we will be down —

**Mr D.A. Templeman:** You brought it in; you lot went and signed us off. You did. You went and signed us off.

**Mr S.K. L'ESTRANGE:** Member for Mandurah —

**Mr D.A. Templeman** interjected.

**The ACTING SPEAKER (Ms J.M. Freeman):** Member!

**Mr S.K. L'ESTRANGE:** We have to love the member for Mandurah. I am sorry Madam Acting Speaker.

**Mr D.A. Templeman:** I want to hear this!

**The ACTING SPEAKER:** Member for Mandurah, when you hear this, you will hear it in silence. Thank you very much.

**Mr D.A. Templeman:** If he rouses me, though, I'll have to put a stop to it.

**The ACTING SPEAKER:** Yes, that is right. Member for Churchlands, can I just warn you that if you bait, you will get a bite and I will not protect you.

**Mr S.K. L'ESTRANGE:** Madam Acting Speaker, I am quite happy to grab a couple of fish on a few hooks I throw out; it does not bother me in the slightest.

[Member's time extended.]

**Mr S.K. L'ESTRANGE:** The member for Mandurah, we have to love him! He is this place's resident fiscal vandal and do members know why he is this place's resident fiscal vandal?

**Mr D.A. Templeman:** Be careful, because my family is here tonight.

**Mr S.K. L'ESTRANGE:** It is a good thing they can see a show, because the member needs to have a good talking to. I will tell members why he is this place's resident fiscal vandal: he started a speech yesterday talking about this government's need to reduce debt. I could not help but thinking, “Here we go, he is being fiscally responsible.”

**Mr D.A. Templeman:** You weren't even here.

**Mr S.K. L'ESTRANGE:** I was here all right.

The member started out by attacking the government, asking what we were going to do about debt. Guess what he then went on to do? He went on to run up a shopping list for hundreds of millions of dollars of things he wanted for Mandurah.

**Mr D.A. Templeman:** I was here talking about royalties for regions.

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**Mr S.K. L'ESTRANGE:** Hey, I have an idea: why don't we do what Kevin Rudd did and just sign cheques for the member for Mandurah's constituents? Let's all give them a cheque!

*Point of Order*

**Mr P. ABETZ:** I am really keen to hear the member for Churchlands, but I am having some difficulty hearing.

**Mr D.A. Templeman** interjected.

**The ACTING SPEAKER (Ms J.M. Freeman):** Excuse me, member for Mandurah! Do not make any comment during a point of order. Thank you for your point of order, member for Southern River. One of the issues is that I did warn the member for Churchlands that if he threw a bait, he would get a bite. So the member for Churchlands might want to move on if he wants to be heard by the member for Southern River.

*Debate Resumed*

**Mr S.K. L'ESTRANGE:** I will tell you what, Madam Acting Speaker—we got a bite all right. We have a big gummy shark on the end of this line who thinks that the way to prudent fiscal management is by writing blank cheques for everyone in his electorate and then having a go at the government for not writing off enough bad debt. The guy is a joke; he is an absolute joke—no offence to the gallery. That type of fiscal irresponsibility has to be put on the record.

**Mr D.A. Templeman:** Watch out for my family. They can be violent. You've got to watch them!

**Mr S.K. L'ESTRANGE:** Clearly, the member wants them getting blank cheques. I know why they are here, member. Unfortunately, your fellow is on the wrong side of the chamber and cannot sign a cheque.

Anyway, let me move on. I want to talk about the 2014–15 state budget, because we are focusing on not only those big capital infrastructure projects that I mentioned earlier, which are setting up the state for success, but also the efficient delivery of quality services. Let us think about this. I have already talked about health, but just on education, there is \$4.6 billion for the delivery of education services, including the 2014–15 budget funding for an estimated 550 additional teachers. This opposition comes into this place and claims that we are sacking everybody. Here is a bit of simple maths: how can the government provide an additional 550 teachers and have you guys saying that we are sacking everyone? It does not make sense. There are an additional 550 teachers, plus a further \$10 million for the transition —

**Dr A.D. Buti:** I thought that was police.

**Mr S.K. L'ESTRANGE:** No, no—teachers. We also have \$1.3 billion for the delivery of police services, with an extra 180 officers to be recruited during 2014–15. In addition, as I said earlier, we are subsidising the cost of electricity and public transport by \$616 million. This is not a government that is saying, "Hey, we don't care. We're going to recover all costs and we're going to charge you a lot." No, there is \$616 million in subsidies. Yes, there was an increase, which I think was four per cent. Yes, that will hurt some people, absolutely; that is a given. But relative to the rest of the country, it is still the most affordable in the country.

**Dr A.D. Buti:** As the fiscal conservative that you are, do you believe that the government should be subsidising utility services or not?

**Mr S.K. L'ESTRANGE:** Of course it should because there are people in this community who are more needy than others, and this government has never shied away from its responsibility to look after people who need help. It has never shied away from that responsibility. That is where I think ideologically you guys get a bit confused. You think this is the 1920s and that all the capitalists are against all the workers, that the blue shirts are over there and the white shirts are over here and never the twain shall meet, and that we are the bad guys and you are the good guys. Those times have gone.

**Dr A.D. Buti:** Have you heard of Paul Keating?

**Mr S.K. L'ESTRANGE:** Those times have gone.

**Dr A.D. Buti:** You should also go back to the 1950s. The Labor Party today is not the 1950s Labor Party. I think you have heard of a Treasurer called Paul Keating. Paul Keating was the greatest economic reformer since Federation. Which side did he come from? It was the Labor Party.

**Mr S.K. L'ESTRANGE:** I am going to let the member worry about the history of his own party, but I can tell the member something right now. Let us put the following people in a room and see what happens: let us put Hawke, Keating, Rudd and Gillard all in a room, mix them all up and see what comes out of that. It is a basket case—an absolute basket case. Unbelievable!

**Dr A.D. Buti** interjected.

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**Mr S.K. L'ESTRANGE:** The member can stay in denial over there, but let us face the facts. There will be \$154 million over five years for growth in mental health hospital activity, plus an additional \$90 million over the next four years for child protection services. These are absolutely important goals that this government is confronting. We are looking after not only the needs of people at the services level, but also the capital infrastructure.

Now I will move to that vertical fiscal imbalance point that the member made earlier. It was a good point. What do we do about it? As the member for Bunbury said, we have to set ourselves up for success as though we were unable to rely on those grants and that goods and services tax revenue from Canberra. We have no choice but to do that. Therefore, our focus must be in our region. It is interesting that I went—I know that some other members went too—to a conference held at the University of Western Australia called “In the Zone”. The zone is basically the four-hour time zone that we share with a lot of other nations in our region. The conference looked at a number of things. I will grab some statistics and share them with members. These statistics come from a document headed “UWA First Asia Centre, Smart Power. A New Narrative of Prosperity, Persuasion and Projection in the Zone, Volume One 2014”. Some of the stats that came out of that were —

- Perth shares a four-hour time horizon with 60% of the world’s population ...
- The nations with the greatest promise for economic growth in the 21<sup>st</sup> century inhabit this region—referred to as ‘the Zone’
- ...
- Gross Zone Product: ...
  - The Zone’s economic output —

That is, the four-hour time zone that we share with 60 per cent of the world’s population —

represents 1/3<sup>rd</sup> of the world’s economy—US\$23.045 trillion

- This share will continue to grow, with India’s economy likely to experience the largest growth
- 2012 World Bank data showed Australia’s economic output as US\$1.532 trillion, with WA at US\$218 billion

What does that tell us? It tells us that if we continue to look behind us to the east, we will fail. We need to be focused, as this government is, on maintaining those close relationships with the nations in the zone. I am not advocating that we set up our own Department of Foreign Affairs and Trade. I acknowledge that we are part of the Federation, so I am not advocating that we have our own Department of Foreign Affairs and Trade. But I will tell members what I am advocating. I am advocating that we continue to support the Premier, who goes to countries such as China and India and countries in South-East Asia, maintaining close dialogue with the leaders of those nations and forming positive relationships so that our trade can continue to prosper for the benefit of all Western Australians. That is what we should continue to support, because that is where the Premier’s focus is, and we can see why. It is because of exactly the point that the member for Armadale made. Because of that vertical fiscal imbalance, he, this cabinet, this government and this side of politics—members opposite should join us—all understand the necessity of focusing on the future, which is to our zone in the region.

**Dr A.D. Buti:** Member, I don’t disagree with that.

**Mr S.K. L'ESTRANGE:** I am glad the member does not.

**Dr A.D. Buti:** But that on its own would not be the solution to the revenue that we would need to service the WA economy to the level that the citizens of Western Australia would demand. You know that.

**Mr S.K. L'ESTRANGE:** I think the point the member is raising is acknowledged in the budget papers; that is, because of the vertical fiscal imbalance, we need to reform the way in which the Federation adjusts its revenue raising and its expenditure in the nation. What is getting lost in all this debate? Unfortunately, members opposite are focusing on, as I said before, those old chestnuts, those old arguments, those old Labor versus Liberal times and the left versus the right and not focusing on what is necessary. What is necessary is that we set the state up for success by ensuring that the framework by which the revenue is raised and the spending is achieved is a framework that supports all Australians through the success of Western Australia, not, as I think some members opposite would have us argue, by it being an us versus them situation. We need to educate this country that by supporting our efforts, it will in the long run be to the benefit of all Australians. We need to get that message out there. It is absolutely important that we get that message out there.

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I want to conclude by saying this: I oppose this Labor Party motion because it falsely attacks the efforts of a government that is growing this state and setting it up for the future, while supporting those who need support with the best health, education and utility services that this nation has on offer. I hope that all members on this side of the chamber will also recognise how important it is to oppose this motion.

**DR A.D. BUTI (Armadale)** [5.59 pm]: I always enjoy listening to the contributions of the member for Churchlands. When he talks about educating, he might want to educate his Treasurer, because although I did not necessarily agree with everything that the member said in his contribution, I think he articulated a case or vision or plan that the Treasurer —

Debate adjourned, pursuant to standing orders.

*Sitting suspended from 6.00 to 7.00 pm*