



Parliamentary Debates

(HANSARD)

THIRTY-NINTH PARLIAMENT
FIRST SESSION
2016

LEGISLATIVE ASSEMBLY

Wednesday, 18 May 2016

Legislative Assembly

Wednesday, 18 May 2016

THE SPEAKER (Mr M.W. Sutherland) took the chair at 12.00 noon, and read prayers.

LEGISLATIVE ASSEMBLY — MEDIA ACCESS

Statement by Speaker

THE SPEAKER (Mr M.W. Sutherland): I wish to advise members that I have approved the presence of a photographer at the south door of the chamber today to cover the Leader of the Opposition delivering the budget reply speech.

HOUSING AUTHORITY — TENANTS — INCOME ASSESSMENT

Petition

MR F.M. LOGAN (Cockburn) [12.01 pm]: I have a petition from a further 29 petitioners who have signed the documents before me that have been stamped in accordance with the standing orders of the house, couched in the following terms —

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled, we the undersigned petitioners say that the recent decision by the National Party Minister for Housing to change the income assessment for Housing Authority tenants is a direct attack on the most vulnerable in our society. To now incorporate Centrelink and Veterans Affairs benefits and allowances as assessable income for the purposes of paying Housing Authority rent is effectively taking away tenant's concession payments that are paid to assist with a particular situation or disability.

Now we ask the Legislative Assembly to call on the Barnett government to immediately reverse this grossly unfair and financially debilitating rental decision that is pushing pensioners, war veterans and the disabled into absolute poverty.

[See petition 376.]

ENVIRONMENTAL PROTECTION AUTHORITY — BAYSWATER CONCRETE BATCHING PLANT

Petition

MR D.J. KELLY (Bassendean) [12.02 pm]: My petition contains 353 signatures and complies with the standing orders. The petition reads —

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say

The proposal to build a concrete batching plant adjacent to parks and homes in Grey St Bayswater is of great concern to local residents. The proposal is also opposed by the City of Bayswater. Unfortunately, the Environmental Protection Authority (EPA) has refused to subject the proposal to an environmental impact assessment. In its decision, the Assessment and Compliance Division of the EPA said "the proposal raises a number of environmental issues. However, the overall environmental impact of the proposal is not so significant as to require assessment by the EPA". The decision is dismissive of the concerns of residents and at odds with the EPA's admission that there are environmental issues with the proposal.

Now we ask the Legislative Assembly

To ask the Minister for the Environment to instruct the EPA to conduct an environmental impact assessment of the proposed concrete batching plant a Lot 2 Collier Rd, Bayswater.

[See petition 377.]

PAPERS TABLED

Papers were tabled and ordered to lie upon the table of the house.

BILLS*Notice of Motion to Introduce*

1. Universities Legislation Amendment Bill 2016.

Notice of motion given by **Mrs L.M. Harvey (Deputy Premier)**.

2. Taxi Amendment Bill 2016.

Notice of motion given by **Mr D.C. Nalder (Minister for Transport)**.

WA JOINT ORGANISED CRIME TASKFORCE*Statement by Minister for Police*

MRS L.M. HARVEY (Scarborough — Minister for Police) [12.06 pm]: I rise to inform the house of the successes of the Western Australian Joint Organised Crime Taskforce, which marked one year of operation last month. The Liberal–National government remains committed to targeting the scourge of methamphetamine in the Western Australian community. This involves a multifaceted, whole-of-government effort that involves targeting the sale, supply and demand for this destructive and toxic drug. The establishment of the WA Joint Organised Crime Taskforce forms an integral part of this commitment.

Since April 2015 the multi-agency task force, consisting of members from Western Australia Police, the Australian Federal Police, the Australian Border Force, the Australian Crime Commission and the Australian Transaction and Analysis Centre—AUSTRAC—has been co-located at the AFP aviation operations building at Perth Airport. The task force has been focused on targeting the importation and distribution of illicit drugs, particularly methamphetamine, via post, airstream, road, rail, sea and other channels into Western Australia. The task force allows these key agencies to share intelligence on drug importations, such as the ACC intelligence relating to meth organised crime groups, combine specialist capabilities, and detect and disrupt meth importation into WA and arrest those responsible.

Since the inception of the WA Joint Organised Crime Taskforce, the combined efforts of key enforcement and intelligence agencies has resulted in the seizure of over 78 kilograms of meth, with 27 offenders charged with 55 commonwealth and state offences. These significant seizures include the 26-kilogram meth bust that took place in February this year. The task force should be commended for its efforts in its first year of operation and will continue to work collaboratively and gather intelligence to seize meth off our streets. The Liberal–National government will continue to support these effective measures and remains steadfast in its commitment to address the scourge of the drug.

ART GALLERY OF WESTERN AUSTRALIA — WINTER REVEAL*Statement by Minister for Culture and the Arts*

MR J.H.D. DAY (Kalamunda — Minister for Culture and the Arts) [12.08 pm]: I rise to briefly update the house on some recent changes and initiatives at the Art Gallery of Western Australia. The art gallery is the premier institution for the collection and display of visual arts in this state. It has a fantastic and ever-growing collection that includes some of the best artists in Western Australia. In 2016 the art gallery is inviting visitors to “see things differently” and improve perceptions of the gallery and maximise its engagement with the broader arts sector and the Western Australian community. In light of that, this evening the art gallery will host its Winter Reveal event, which will launch a range of new initiatives including the launch of its new exhibition, *Sacred and Profane*; a new brand identity; new exhibition and engagement spaces; and announcement of a new restaurant.

The Winter Reveal event will be the first opportunity visitors will get to see the art gallery’s new micro-galleries, called Sky and Garden. These are small spaces in which to display works of scale, and they are a clever use of previously underutilised spaces. The new Imagination Room is an activity space overlooking the city that will be used for education, events, family activities, artist talks and digital adventure. Every space has been considered, and even a stairwell on the south east corner of the building has been transformed into a sound gallery. The exhibition to be opened tonight, *Sacred and Profane*, is a presentation of three very large-scale international works, including one that is installed along the whole length of a gallery wall, and another that includes more than 3 000 diaries and notebooks. Tonight’s event will also include guided tours, an art workshop, a virtual reality art experience, and performances by the fantastic Western Australian dance company, Co3. There will also be an announcement of the new food and beverage operator for the cafe space at the entrance to the building, a refreshed art gallery website, and new video content will be produced.

The Art Gallery of Western Australia continues to demonstrate innovation in its programming and public engagement, with new partnerships, spaces, and an exciting exhibition program ahead. I encourage members and the wider community to visit the art gallery and explore the new spaces for themselves.

WESTERN AUSTRALIA–JAPAN TRADE RELATIONSHIP

Statement by Minister for State Development

MR W.R. MARMION (Nedlands — Minister for State Development) [12.10 pm]: It is with great pleasure that I stand today to emphasise Western Australia's important trade relationship with Japan. A highlight for me of last month's successful eighteenth **International Conference and Exhibition on Liquefied Natural Gas** was the strength of Japanese representation. More than 60 Japanese companies were represented at LNG 18, with many of them participating as exhibitors. Key executives from Japanese companies such as Chiyoda Corporation, Inpex Corporation, Tokyo Gas, JGC Corporation and Mitsubishi also participated in many of the presentations, workshops and panel discussions held during the conference. This strong presence underlines the strength of our state's longstanding relationship with Japan, which is based on trade, investment and cross-cultural ties.

Japanese companies have long taken equity investments in Western Australian projects, becoming foundation investors in the development of Western Australia's iron ore and LNG industries. Japan received the first shipment of iron ore from Geraldton in 1966 and the first LNG shipment from the North West Shelf in 1989. Fast forward to 2016 and the first shipment of LNG from Chevron's \$US54 billion Gorgon project was delivered to Chubu Electric Power Company in Japan—50 years on from that first iron ore shipment.

Japan is Western Australia's second largest trading partner, with total trade valued at \$19 billion in 2015, representing 32 per cent of Australia's total trade with Japan. Western Australia is a stable and reliable supplier of resources and agricultural products to Japan, with exports from these sectors valued at \$16.7 billion in 2015. Japan is an important source of investment and is the third largest source of foreign direct investment in Australia, which was valued at \$66.1 billion in 2014.

This year we also commemorate the thirty-fifth anniversary of the sister state relationship between Hyogo Prefecture and Western Australia. Since the sister state relationship was signed in 1981, there have been countless economic, cultural and sporting exchanges between Hyogo and Western Australia. Two exchange programs were initiated during the thirtieth anniversary in 2011. The Banshu fashion textile program involves small groups of Western Australian fashion design students and emerging designers travelling to Hyogo to study the Banshu textile industry. The marathon exchange program sees runners from Western Australia compete in the Kobe Marathon and Hyogo runners compete in Perth in alternate years.

As well as the two exchange programs, several events will be held to mark the thirty-fifth anniversary of the relationship. For example, the Western Australian Youth Orchestra will be visiting Hyogo in December this year. With the Japan–Australia Economic Partnership Agreement having entered into force in January 2015, there are many new opportunities for Western Australia's already solid relationship with Japan to flourish well into the future.

AGE-FRIENDLY COMMUNITIES GRANTS PROGRAM

Statement by Minister for Seniors and Volunteering

MR A.J. SIMPSON (Darling Range — Minister for Seniors and Volunteering) [12.13 pm]: I rise to inform the house about the latest round of funding under the Age-Friendly Communities grants program. I am pleased to advise that I recently approved \$113 500 in funding toward 13 local governments across Western Australia. I am sure the members for Forrestfield and Wanneroo will be pleased that the Shire of Kalamunda and the City of Wanneroo have each received \$10 000. In regional Western Australia, the members for Central Wheatbelt and Wagin will also be pleased to know that the Shires of Brookton and Pingelly have also received \$10 000 for their joint submission.

Western Australia's population of seniors is growing rapidly and by 2050 it is predicted that the number of seniors in this state will increase to one in four Western Australians. Addressing the needs of our ageing population is a high priority and it is a responsibility shared across the whole of government and the wider community. This means enabling seniors to remain healthy, independent and socially connected.

A key partnership that we are promoting is between state and local governments and the community services sector, and the Age-Friendly Communities grants program is a great example of this partnership in practice. The program provides up to \$10 000 for local governments to include seniors in their planning processes, establishing policies, services and structures that improve their quality of life. Age-friendly local governments are those that adapt their services to be accessible and inclusive to people of all ages. Whether our seniors are 60 or 90, they should have the choice to age in place—that is, to stay in their own home in a community they are familiar with. We know that building an age-friendly Western Australia requires input and collaboration across all sectors. This funding will provide local governments with the opportunity to undertake community engagement projects that will ensure the needs of their older residents are met now and into the future.

Since the introduction of the program in 2008, the Liberal–National government has awarded grants totalling more than \$500 000 to 57 local governments. We will continue to oversee the implementation of this program to ensure more local governments are able to build communities that encourage seniors to participate and remain active.

ASSOCIATIONS INCORPORATION ACT 2015 — CONSUMER PROTECTION DIVISION*Statement by Parliamentary Secretary*

MR P.T. MILES (Wanneroo — Parliamentary Secretary) [12.15 pm]: I would like to inform the house of the work being undertaken by the Consumer Protection Division of the Department of Commerce to inform the community about the new Associations Incorporation Act 2015, which is scheduled to come into effect on 1 July 2016. The Consumer Protection Division's work in this area is important because there are more than 18 000 incorporated associations in Western Australia and they play a significant role in our community.

The Consumer Protection Division conducted two information sessions in February for government officers and peak body organisations whose membership comprises incorporated associations and clubs. Public information sessions targeting the broader community are now underway and are expected to be attended by more than 1 000 people.

In regional Western Australia, consumer protection officers are speaking at key community events, and regional information sessions will also be held where required. To assist those who cannot attend one of the Consumer Protection Division's information sessions, a session has been videoed and put on the Consumer Protection Division website, along with a transcript for people who are hearing impaired. Comprehensive supporting resources have also been placed on the Consumer Protection Division website. The resources include transition packs covering matters necessary to enable existing associations to make a smooth transition from the old act to the new, and the key changes requiring immediate action by existing associations. Fact sheets are also being developed to cover specific issues and existing publications are being updated to include information about the new laws. Interest groups are being kept updated via "Associations Info" newsletters, which are scheduled for release every two months. The most recent newsletter, at the end of March, was circulated to over 10 000 subscribers.

The good work of the Consumer Protection Division in providing information about the changes in the new act, along with the transitional arrangements the government included in the act, should make the transition to the Associations Incorporation Act 2015 as trouble-free as possible for all incorporated associations.

BUSINESS OF THE HOUSE — PRIVATE MEMBERS' BUSINESS*Standing Orders Suspension — Motion*

MR J.H.D. DAY (Kalamunda — Leader of the House) [12.17 pm]: I move —

That so much of the standing orders be suspended as is necessary to enable private members' business to have priority from 4.00 pm to 6.00 pm on Wednesday, 18 May.

This is the usual practice, if I recall correctly, in the week in which debate on the second reading stage of the budget bills is conducted. Ample opportunity is provided for all members of Parliament, and members of the opposition in particular, to raise issues of a general nature in the two hours for private members' time today we consider is appropriate.

Question put and passed.

FREMANTLE PORT ASSETS (DISPOSAL) BILL 2016*Introduction*

Bill introduced by **Dr M.D. Nahan (Treasurer)**.

First Reading

DR M.D. NAHAN (Riverton — Treasurer) [12.18 pm]: I move —

That the bill be now read a first time.

I present a copy of the bill and explanatory memorandum.

MR M. McGOWAN (Rockingham — Leader of the Opposition) [12.18 pm]: The opposition will be voting against the first reading of the Fremantle Port Assets (Disposal) Bill 2016. This is an opportunity for the house to express its view, and for the National Party to express its view. The government has expressed its point of view, and I remind members that, after the last state election and before the last state election, the Premier promised that Fremantle port would not be sold—for very good reason. It is a monopoly asset.

First Reading— Scope — Ruling by Speaker

THE SPEAKER (Mr M.W. Sutherland): I will just disturb the Leader of the Opposition for one minute; I have a short statement to read. If you wish to debate this matter, I have to draw something to your attention.

Members, I note the convention in this house is for the first reading of a bill to be agreed to without debate. It is a formality when a bill is introduced by the minister or member in charge that he move that the bill be now read

a first time. At this point the practice is for the house to agree to the first reading without having seen a copy of the bill. As the motion for the first reading is a question before the house, it is in order for anyone to vote against the first reading. In terms of whether debate is allowed, I note that the only reference in the standing orders to debate at the first reading is in standing order 166, which states —

When any bill is brought from the Governor or Council, the first reading will be decided without debate.

This standing order is also specifically referred to in standing order 100 in the list of matters not open to debate. My view is that for bills initiated in the Assembly, the first reading is open to debate, but the scope of debate is limited as members have not yet had time to consider the bill. As there are no time limits specified in the standing orders for the first reading, usual motion times will apply.

First Reading Resumed

Mr M. McGOWAN: The bill allows for the sale of Fremantle port. The Premier ruled out the privatisation of Fremantle port on 13 June 2012, before the last election, and he ruled it out again on 19 September 2013. It is a monopoly asset. It produced \$68 million in dividends for the state last year. The sale of a monopoly asset without another container port within 3 000 kilometres of Perth would undoubtedly result in increased costs for both importers and exporters, and it would reduce the prospects of a new port being constructed in Kwinana. For those very good reasons the opposition does not support the privatisation of Fremantle port.

This is an opportunity for the National Party to indicate where it stands on this issue in this house, considering the fact that it has made its view plain publicly that it does not support the privatisation of Fremantle port. If the National Party wants to persist with that point of view and indicate where it stands on this issue, this is the ideal opportunity to express that view. I do not intend to continue this speech for any longer than two minutes. I am at the two-minute mark now and I have expressed the argument succinctly. This is an opportunity for the National Party, and indeed Liberal Party members who might be uncomfortable with this rushed, forced privatisation fire sale, to express their point of view. I expect the debate will now conclude and we can have a vote.

Division

Question put and a division taken with the following result —

Ayes (33)

Mr P. Abetz	Mr J.M. Francis	Mr R.S. Love	Mr J. Norberger
Mr F.A. Alban	Mrs G.J. Godfrey	Mr W.R. Marmion	Mr D.T. Redman
Mr C.J. Barnett	Mr B.J. Grylls	Mr J.E. McGrath	Mr A.J. Simpson
Mr I.M. Britza	Dr K.D. Hames	Ms L. Mettam	Mr M.H. Taylor
Mr G.M. Castrilli	Mrs L.M. Harvey	Mr P.T. Miles	Mr T.K. Waldron
Mr V.A. Catania	Mr C.D. Hatton	Ms A.R. Mitchell	Mr A. Krsticevic (<i>Teller</i>)
Mr M.J. Cowper	Mr A.P. Jacob	Mr N.W. Morton	
Ms M.J. Davies	Dr G.G. Jacobs	Dr M.D. Nahan	
Mr J.H.D. Day	Mr S.K. L'Estrange	Mr D.C. Nalder	

Noes (19)

Ms L.L. Baker	Mr W.J. Johnston	Mr P. Papalia	Mr P.C. Tinley
Dr A.D. Buti	Mr D.J. Kelly	Mr J.R. Quigley	Mr P.B. Watson
Mr R.H. Cook	Mr F.M. Logan	Ms M.M. Quirk	Mr B.S. Wyatt
Ms J.M. Freeman	Mr M. McGowan	Mrs M.H. Roberts	Ms S.F. McGurk (<i>Teller</i>)
Mr R.F. Johnson	Mr M.P. Murray	Ms R. Saffioti	

Pairs

Ms W.M. Duncan	Mr C.J. Tallentire
Mr I.C. Blayney	Mr D.A. Templeman
Ms E. Evangel	Ms J. Farrer

Question thus passed.

Bill read a first time.

Several members interjected.

The SPEAKER: The division is finished.

Mrs M.H. Roberts interjected.

The SPEAKER: Member for Midland!

Mr D.T. Redman interjected.

The SPEAKER: Leader of the National Party, I call you to order for the first time. We have had our biff; let us move on.

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale, I call you to order for the first time.

Second Reading

DR M.D. NAHAN (Riverton — Treasurer) [12.27 pm]: I move —

That the bill be now read a second time.

As part of its asset sales program, the government is proposing to divest the commercial assets and operations of the Fremantle Port Authority by way of a long-term lease. The divestment of Fremantle port is a key element of the government's fiscal management strategy, aimed at reducing government debt and unleashing the potential for private sector capital investment to develop economic infrastructure to support and grow the Western Australian economy.

The government remains committed to ensuring that a rigorous assessment process is a precursor to any divestment decision.

Several members interjected.

The SPEAKER: Sit down, please, Treasurer. Members for Cannington and Girrawheen, we have had our say. Let us just settle down and listen.

Dr M.D. NAHAN: Accordingly, the Department of Treasury, supported by the joint lead financial advisers Rothschild and Deloitte, has undertaken an extensive due diligence process to provide the detailed information and analysis required to inform decision-making on the proposed lease. The process has been managed in close consultation with the State Solicitor's Office and other relevant agencies including the Department of Transport, the Department of State Development and Fremantle Port Authority itself.

As the government has previously stated, the divestment of port facilities is a strategy that has been, and continues to be, pursued by a number of governments in other jurisdictions. Relevant examples include the divestment by way of long-term lease of the port of Darwin in the Northern Territory; Port Kembla, Port Botany and the port of Newcastle in New South Wales; the port of Brisbane in Queensland; the ports of Geelong and Portland in Victoria; and South Australia's entire port network. This strategy reflects a contemporary view that the role of government is best suited to overseeing the safe and continued operation of ports, as well as regulating, where necessary, to ensure fair access and pricing, rather than owning and operating the assets, which carries with it responsibilities for ongoing capital investment. With the Victorian Labor government now proceeding with the divestment of the Port of Melbourne, Fremantle port will be the last remaining mainland Australian capital city port in government hands.

The due diligence process has involved defining the package of assets to be considered for divestment as well as the appropriate functions and operations that should be retained by the residual Fremantle Port Authority. The recent experience of the private sector managing capital city ports elsewhere in Australia provides confidence that the private sector can successfully manage Fremantle port and its development into the future, with appropriate oversight from the state government.

The private sector lessee will be entitled to generate a commercial rate of return on the efficient use of its assets and the provision of services. It will implicitly be incentivised to optimise the utilisation and efficiency of the assets and invest in growing capacity where it is commercially and technically feasible to do so. Consequently, the divestment of Fremantle port has the potential to not only unlock capital and improve our state's budget position, but also improve and expand the export potential for our goods and commodities, and grow our import facilities to meet the demands of increasing business and community needs.

The government's overarching objectives must be balanced. They are to facilitate the continued efficient, safe and reliable operation of the port; maximise transaction proceeds and the financial return for the state, while minimising residual financial risks and liabilities; facilitate private sector provision of infrastructure for the future and contribute to the state's economic growth; and ensure that the operating model for the remaining functions of the Fremantle Port Authority is financially sustainable. These objectives have been key guiding principles and will remain important considerations for the government when making final decisions.

To provide members with a brief overview of the asset, Fremantle port is the principal general cargo and container port for Western Australia and operates from two primary locations. The inner harbour encompasses seven berths dedicated to container shipping, seven common-user berths for general cargo shipping and cargo handling, plus two berths for cruise shipping and two berths used for smaller ships and vessel lay-up. It currently handles almost all of Western Australia's container trade, as well as livestock exports, motor vehicle imports,

general cargo and cruise ships. The outer harbour, located 26 kilometres south of the inner harbour, comprises the Kwinana Bulk Terminal and Kwinana Bulk Jetty, both of which are owned by Fremantle Ports, and three privately operated jetties, all servicing the trade of dry and liquid bulk products.

Total port trade in 2014–15 was 35.7 million tonnes, an increase of 6.7 per cent on the previous financial year. This increase was primarily due to a rise in bulk exports of iron ore from the Kwinana Bulk Terminal in the outer harbour and an increase in containerised trade in the inner harbour. Containerised trade increased by 5.7 per cent in 2014–15. The average annual growth in Fremantle's container trade over the past decade has been about 4.7 per cent. In 2014–15, trade to the value of some \$28.4 billion passed through the port, which equates to an average of more than \$3.2 million every hour of every day.

A number of commercial and policy issues have been considered during the detailed due diligence process. Key among these has been modelling of the inner harbour's capacity and its impact on the timing of the future outer harbour development for container and general cargo trade. The due diligence process has considered analysis which indicates that the capacity of the inner harbour of Fremantle port can cater for relevant trade growth for at least 15 years and probably much longer. The inner harbour container trade in 2014 was 743 000 twenty-foot equivalent units, TEUs, the standard measurement unit for shipping container trade. Historical estimates, going back more than a decade, indicated the inner harbour capacity to be in the order of 1.2 million to 1.4 million TEUs. However, due to infrastructure development, modern technology and logistical improvements since that time, the inner harbour now has a much greater capacity than previously thought. A study by an independent expert commissioned by the Fremantle Port Authority in 2014 identified an estimated capacity figure in excess of two million TEUs.

With significant inner harbour capacity available to cater for growth, the development of new facilities for containerised trade in the outer harbour is not likely to be required for 15 years or more, probably much longer, based on current forecast growth rates. These growth rates reflect more recent trade trends, and are lower than those that had underpinned earlier estimates of when additional capacity would be required.

Recognising the importance of maximising taxpayers' return on investment in this infrastructure, the government has confirmed its commitment to the continuation of the Fremantle inner harbour as a container and general cargo port into the longer term. Artificially capping the inner harbour capacity, or closing it down, would bring forward the need for the outer harbour development. This would result in greater and earlier capital investment in the outer harbour and related road and rail infrastructure—imposing an unnecessary and unaffordable financial burden on the government and the community. The detailed due diligence has also clearly demonstrated that the cost of developing container and general cargo facilities in the outer harbour significantly outweighs the value of redeveloping the inner harbour for alternative uses.

The most efficient and cost-effective outcome is achieved by maximising the natural capacity of the inner harbour to ensure port prices, which are ultimately reflected in the cost of goods for consumers, are lower for all concerned. However, that does not mean that the government will not consider the future trade and infrastructure needs of the state. The government has been developing preliminary options for the location and configuration of the outer harbour development. Given capacity will not be required for many years, there is more time to undertake the necessary detailed planning for the outer harbour, including managing the environmental concerns associated with any future development in Cockburn Sound. As the inner harbour capacity is reached, it will be a priority for the state to ensure adequate port facilities are in place to meet demand in overflow trade. It is important to note that even when the outer harbour is developed in the future, the inner harbour will continue to operate.

Given the importance of ensuring the state's trade capacity is not constrained and the clear linkages to the inner harbour operations, the government is considering mechanisms to transfer the responsibility to develop the outer harbour to the private sector lessee. The full details of these arrangements will be made public as the divestment process proceeds. However, in general terms this will involve two key elements, both of which are outlined in part 8 of the bill.

Firstly, the port lessee will be afforded the first opportunity to negotiate to undertake specified new port developments within the existing port area. The mechanics of how this negotiation process will operate will be subject to an agreement, which will be tabled in Parliament to provide full disclosure and transparency.

Secondly, the residual Fremantle Port Authority will be empowered to levy a dedicated port improvement rate for the purpose of accumulating funds to be applied to the costs of the outer harbour container terminal development. The payment of port improvement rates by port users is not a new concept. Indeed the existing Port Authorities Act 1999 provides the power for port authorities to do this, including the recent deepening of the inner harbour at Fremantle port and the associated development of Rous Head. What is contemplated in this bill is a dedicated levy tied specifically to the development of the outer harbour container terminal development to ensure this facility is available when required to meet demand and support the growth of trade. The parameters of this charge will be subject to approval by the Treasurer and Minister for Transport and will ultimately

contribute towards the capital and associated costs in developing the outer harbour container terminal, whether that be by the port lessee after taking up the first opportunity to negotiate, or by another third party or the state if agreement is not reached with the port lessee in accordance with the abovementioned agreement. To mitigate the impact on port users, the state will also set aside seed funding from the divestment proceeds that will be dedicated to the outer harbour container terminal development. The government will retain oversight following any divestment through a number of means, including retaining a residual Fremantle Port Authority that will continue to provide key public interest functions. One is the harbourmaster function, allowing effective oversight of marine safety and control over the movement of vessels in port waters. The state, through the residual Fremantle Port Authority, will also be responsible for approving the port lessee's master plan for development and will have an ongoing oversight and periodic review responsibility for future development plans.

Furthermore, I have made a commitment that should the divestment proceed, the government will financially support the transfer of livestock trade to a new dedicated facility in the outer harbour. This is something that has been called for by many parties. This will not only support the vitality of this important and strategic trade of the state, but also address amenity concerns of local residents and businesses in the Fremantle area. The divestment process will facilitate this occurring by releasing capital for the government to spend on the new livestock export facility in the outer harbour.

Members can be assured that the government recognises the importance of ensuring that port users continue to be provided with fair access to port services on fair and reasonable commercial terms following the divestment. The government is mindful of the importance of a well-considered and effective access and pricing regime, particularly for assets having monopolistic characteristics. Recognising that the Fremantle Port Authority's services face limited competition for many of the trades it facilitates, the government will ensure that an effective access and pricing framework is in place. Moreover, the government acknowledges that an access and pricing regime is an important safeguard for the continued operation of the port to ensure that it continues to facilitate trade into the future.

The bill outlines the key elements of the proposed access and pricing regime, which includes a number of protections designed to ensure continued fair access to relevant port facilities and services and to mitigate the risk of potential abuse of market power and unfair pricing. Upon legal and commercial advice, a portion of the regime will be further set out in regulations in order to retain flexibility in key areas that contribute to the regime's effectiveness, including the credible threat of further regulation being implemented if anti-competitive or unfair behaviours occur. The key features of the access and pricing controls include: bidder restrictions on stevedoring companies, their affiliates and companies with strategic interest in upstream transport linkages, aimed at mitigating the risk of vertical integration and, in turn, the risk of unfair or anti-competitive outcomes; an obligation not to unfairly discriminate against any user or potential user or to hinder access; the requirement for the port lessee to have an access policy; and a price monitoring regime that triggers a review by the regulator whenever the prices increase above the consumer price index benchmark and the ability for the government to impose further "heavy-handed" regulation if required.

The Economic Regulation Authority will be the regulator of the regime that the port lessee will be required to comply with. The ERA will have the ability to monitor compliance with the regime and enforce it through powers granted under the bill and regulations. The regime itself will also be subject to periodic review by the ERA and may be amended by the government to require further or different regulation of port pricing and/or access to port services if required and appropriate in the circumstances. Furthermore, parties to state agreements can be assured that the standing of existing rights and obligations will not be affected by the divestment process. Likewise, the rights of the cruise ship, tourist vessel, livestock and grain industries active in the port, along with public interest events such as the Rottne Channel Swim, will not be adversely affected by the divestment.

Members can also be assured that the government will be focused on ensuring that any transfer of employees will be handled fairly, in consultation with the affected parties. All dealings in this regard will be in accordance with relevant employment laws and applicable provisions under current enterprise agreements and other employment contracts.

Market soundings that were conducted as part of the due diligence process have indicated that the government can anticipate strong interest from a large number of potential investors, both international and domestic. In order to achieve the project's objectives, the government is mindful of not deterring foreign investment. However, members can also be assured that the divestment process will comply with the necessary approvals from the Foreign Investment Review Board and will account for broader national strategic considerations.

The transaction execution phase will follow a typical three-stage process, with expressions of interest to be sought to identify a short list of entities or consortia to proceed to an indicative bids phase. After a further short-listing process, a final, binding bids phase will follow. In total, it is expected that this process will take approximately six months and will be the subject of a number of evaluation gateways and decisions by the government on whether to proceed. Fundamentally, the government will be focused on meeting the project objectives and ensuring that taxpayers and the community derive value not just now but into the future as well.

Turning to the structure of the proposed legislation, the bill has been drafted with a degree of flexibility to allow for varying scenarios in the transaction structure and legal entities that may be employed, while ensuring sufficient certainty and protections if the transaction proceeds to market. The bill provides the legislative framework and authorising power for the divestment, and is designed to complement the contractual controls that will be implemented through the transaction documentation should a divestment proceed. This includes the flexibility to establish regulations to manage issues such as access to, and pricing of, port services. In addition to the legislation and use of regulation, key rights and obligations of the lessee will be set out in the legal documentation developed for the transaction.

The bill consists of 86 clauses that broadly provide for: the disposal of all or part of the assets and liabilities of the Fremantle Port Authority and any identified associated assets; controls and limitations on the parameters of the disposal; post-sale transitional arrangements and regulatory matters; and provisions relating to the post-divestment operations of the port, including access and pricing, future development of the port and the potential outer harbour container terminal development.

The bill is divided into nine parts. Part 1 deals with the usual preliminary matters and specifies when clauses 1 and 2, part 7 and the remainder of the bill will come into operation.

Part 2 deals with the authorising powers and related limitations for the disposal. It is noted that the bill prevents ownership of land from being transferred to a private entity, instead authorising only a licence or an interest no greater than a leasehold interest to be granted, for a period not exceeding 99 years.

Part 3 provides for the administrative mechanics of implementing the disposal, including, but not limited to, the making of transfer orders, access to records, registration of documents, disclosure of information and the payment of proceeds.

Part 4 relates to specific provisions for the use of corporate vehicles in a disposal, ensuring that relevant laws may, if prescribed by regulations, apply to the operation of the port assets while held in a corporate vehicle that is owned by the Fremantle Port Authority or the state, prior to disposal.

Part 5 contains provisions relating to leases and licences, including the designation of port asset leases and leaseholders; and provisions relating to the effect of port asset leases. This part also ensures that the Fremantle Port Authority is relieved of its duties to the extent that the private sector port asset lessee is carrying out those functions under a port lease or licence.

Part 6 contains provisions to facilitate the operation of Fremantle port by a private sector operator post-divestment, including clauses that reflect provisions of existing state legislation, in particular, the Port Authorities Act 1999. The provisions contained in this part ensure that the private sector operator is conferred with the same rights necessary to perform its functions as the Fremantle Port Authority under the Port Authorities Act 1999, and also ensures that the Fremantle Port Authority is relieved of its duties to the extent that the private sector operator is carrying out those functions under a designated agreement.

Part 7 relates to access and pricing and includes provisions relating to the objects of, and exclusions from, the access and pricing regime, the functions and powers of the regulator, provisions in relation to regulated services and regulated charges, obligations on service providers of regulated services, the pricing regime that may be specified through regulations, reviews and reports of the regulator, and enforcement.

Part 8 relates to the future development of Fremantle port and includes provisions ensuring that the Fremantle Port Authority has the power to agree to grant the port facility operator the first opportunity to undertake certain developments in the port and to levy a charge for the costs associated with the development of the outer harbour container terminal facilities.

Part 9 covers a range of miscellaneous matters including, but not limited to, the optional exemption of the disposal from state taxes; protection of government agreements and rights and obligations under certain acts; and regulations for the purposes of disposal of the assets.

I emphasise that the government has conscientiously worked through the detailed commercial and policy issues identified through the due diligence process in readiness to proceed to market. The enactment of this bill does not imply that the government has made a final decision to proceed with the divestment of the Fremantle port. Rather, what it does is institute a sound legal framework, which will empower the government to proceed with the process, and disclose the required confidential information with the comfort that the state has been afforded the necessary statutory protections. This will ultimately ensure that if a decision is made to proceed, the objectives of the divestment are satisfied and the interests of Western Australian taxpayers, port users and the broader state economy are protected and furthered.

I commend the bill to the house.

Debate adjourned, on motion by **Mr W.J. Johnston**.

APPROPRIATION (RECURRENT 2016–17) BILL 2016
APPROPRIATION (CAPITAL 2016–17) BILL 2016

Second Reading — Cognate Debate

Resumed from 17 May.

MR M. McGOWAN (Rockingham — Leader of the Opposition) [12.51 pm]: Last week I visited the Quadriplegic Centre in Shenton Park, where I met Daniel Stokes. Daniel is a quadriplegic. I spoke to his mother, Kate, later that day. I walked down the corridor in the Shenton Park Quadriplegic Centre, an old and tired building. I went into Daniel's room, where he was lying in his bed, unable to move, obviously, and I had a conversation with him about his predicament. He told me how he had had a cold shower, how the facility had not been working and how his temperature had dropped to 30 degrees and that he had been transferred to hospital, very sick, where they put a blanket on him, he called a bear rug, to try to get his core temperature back up. I stayed in that room talking to Daniel for maybe 10 minutes. We talked about his condition. We talked about the cold showers. We talked about movies. Daniel said things to me that he had said on the television as well. He asked, "Why is it that the "Bigger Picture" does not include me?" I have to say that I agree with what he had to say. Why is it that Daniel Stokes was forced to have cold showers? Why is it that he is in a facility that is tired and old? Why is it that the government has created such a disastrous financial situation that we have not been able to provide a new facility for Daniel and the 70 or so other people living in the Shenton Park Quadriplegic Centre? To me, that is the issue for this government. The finances have been run so badly over a period that has been so productive in income for the state, but we still have people like Daniel in the condition in which he is in.

My vision for Western Australia is of a successful state, brimming with opportunities for all our citizens—a fair state where regardless of income, religion, background or location, people can be whatever they want to be, based upon their ability, work and need; a state that plans for the long term with decent planning, housing, transport, health and education systems; a state with a diversified economy that rides out the ups and downs of the mining and resources sectors; a state with a diverse array of robust industries, which is why I launched our plan for jobs and our Metronet plan; and a state with a reasonable, competent, stable and honest state government.

It is personal for me. I have three young children. I want to see them live in a prosperous and successful state, brimming with opportunities. It begs the questions: How did things go so wrong that we have had such disastrous budgets year in, year out? Why is that after the biggest mining boom in the history of the world, with record revenue into the state government, with the strongest revenue per capita of any state in Australia year in year out, with record royalties particularly from the iron ore industry, with huge tax increases year in year out, huge cost-of-living increases year in, year out on consumers over the course of the last eight years, we now have the highest unemployment numbers in our state's history? Why is it that we have record debt that was unimaginable eight years ago? Why is it that we have a record deficit—again that was unimaginable eight years ago? Why is it we have the worst congestion on record, the least diversified economy in the commonwealth and the most divided, dysfunctional, disunited government in memory? It is not just me saying that. Last month, CommSec—the Commonwealth Bank research arm—came out with its "State of the states: April 2016 economic performance report". It indicated that the Western Australian economy has slipped to sixth. Its media release headline was "CommSec State of the States Report: NSW maintains top spot; WA eases to sixth". Amongst the states, Western Australia is just ahead of South Australia and Tasmania. Why is it that with our record wealth, our record mining boom, our talented people and potential, we have slipped from first in 2014 to sixth in 2016, according to the CommSec report, one of the most authoritative reports on the Australian economy? The reason is this: we have such a bad government.

Several members interjected.

The SPEAKER: I want to hear this in silence.

Mr M. McGOWAN: This state budget is and has been a catastrophe.

Several members interjected.

The SPEAKER: That is enough, thank you.

Mr M. McGOWAN: The Liberals like to perpetuate a myth that they are the better economic and financial managers. The evidence over the last 25 years in Western Australia is that that is absolutely and completely wrong. It has been only Labor that has always delivered budget surpluses. It has been only Labor that has driven down the state's debt levels. The Liberals have presided over a catalogue of debt, deficits and broken promises. We now have the worst set of books in our history. I repeat what I said yesterday: our state debt in 2008 was \$3.6 billion; it is now approaching \$40.2 billion. That is a 1 000 per cent increase due to this government. We are 1 000 per cent in debt in Western Australia. The state debt was \$3.6 billion in 2008. The deficit for the coming financial year is \$3.9 billion. The deficit in one year of this government is greater than the entire accumulated state debt of 108 years eight years ago. The government has managed to provide a deficit in one year greater than

the total state debt eight years ago, and it has excuse after excuse. The fact remains that the government has no plan or long-term strategy. All it throws out there is a grab bag of thought bubbles—panic, privatisations, emergency fire sales and red ink as far as we can see. The government has the dog ate my homework excuse.

Mr C.J. Barnett interjected.

Mr M. McGOWAN: The Premier blames —

Mr C.J. Barnett interjected.

The SPEAKER: That is enough!

Mr M. McGOWAN: I'll get to you.

It is the dog ate my homework excuse. Members opposite blame everyone and everything except themselves. After all, they have only been the government for the last eight years. They blame the GST despite two things that need to be noted. The only leader at the Council of Australian Governments meetings discussing and debating the GST today who was there and involved in the debate when it was formed was you, Premier. The only one who was in office and involved in creating the GST was you. You are the only one who was in Parliament at that time and who supported the creation of the GST arrangement. It was you, Premier.

Several members interjected.

The SPEAKER: That is enough.

Mr M. McGOWAN: The second point is there is no GST shock. That deal is appalling. We understand that, but each and every year the GST receipts of Western Australia are what was predicted by Treasury.

Several members interjected.

The SPEAKER: Members!

Dr M.D. Nahan interjected.

The SPEAKER: Treasurer, I call you to order now for the first time.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park, I am standing up.

Several members interjected.

The SPEAKER: I have called the Treasurer to order. I am standing up, if someone else wants to be called to order. Thank you.

Mr M. McGOWAN: The GST is the Liberal Party's doing. It promised it would fix it; it has not. Each and every year the government gets exactly what was predicted. The other point is that the government has spent according to what it thought it would get rather than listening to the appropriate and sensible forecasts.

I want to talk about the iron ore price, which the Treasurer dwelt on. Clearly, the government has made a massive mistake. I will read to the house something that happened on 8 March 2013 in an interview with David Weber on ABC, the day before the last state election. David Weber said that the Premier "has promised to serve a full term if re-elected". That particular commitment is somewhat shaky. He asked the following question, and I quote —

There have been more predictions this week of a future fall in the iron ore price, maybe going back down to \$60. How much of that is a concern to the state's position?

The Premier responded—the day before the last state election —

Oh look, I think in West Australia people understand the commodities markets. When iron ore back in September fell down to around about \$80 or thereabouts, the rest of Australia said oh the iron ore industry is finished, you know, let's give up. I mean, what nonsense. It's back up to around \$150, \$160. It will not fall in my view anywhere near that. But look probably a longer term price for iron ore is probably around about \$120 to \$140.

Let me read that again. The Premier said —

... look probably a longer term price for iron ore is probably around about \$120 to \$140.

The iron ore price today is \$55. He made a Nostradamus-like prediction of \$120 to \$140 a tonne, but the iron ore price is now \$55. That says it all. The government spent on the basis of the Premier's intuition; it spent on the basis of what his intuition said the iron ore price would be. Clearly he ran down the surpluses, so now the state has the worst debt and the worst deficit on record because he acted very irresponsibly based upon his ridiculous predictions and intuitions of just three years ago—so totally and utterly inaccurate. People like Daniel Stokes are the ones who are paying today for his failures.

What is the Premier's strategy? It is to wreck the finances, engage in a fire sale of state government assets and then retire and leave the mess for someone else to worry about. That is not a plan; that is a train wreck of a strategy. There is the Premier grimly holding on, with the sharks circling around him today, waiting for the word on high from Mathias Cormann or Minister Collier about who the Premier will be. That is what is going on inside the Liberal Party today; that is why there is such economic paralysis in this state; and that is why people cannot have any confidence in the capacity of this government or this Premier to resolve the issues confronting Western Australia. Just remember this, each of the four aspirants for the position—the four horsemen, perhaps we can call them!—are as guilty as the Premier himself for the position that Western Australia is in today with record deficits, record unemployment and record debt. Each of them sat at the cabinet table and each was in the Liberal Party room while this went on and they are equally culpable for what has happened.

Let me turn to employment. According to page 3 of budget paper No 3, the state's unemployment rate is going up in 2016–17 to 6.75 per cent. As the CommSec report indicates, this state government's performance on employment has been the worst of all the states. The government has no program for jobs. When asked about this last week, the Premier's answer was, "Oh, well, there's GM canola." GM canola will solve the situation! Then he said, "Oh, no; we've got uranium." We do not have a mine, but we have uranium, and then he raised the old chestnut of penalty rates, which, of course, is under the commonwealth government's control. His answer was GM canola; uranium mines, of which none exist; and penalty rates in relation to these issues. That is not a plan; that is just a jumbled bunch of slogans.

Several members interjected.

The ACTING SPEAKER (Ms L.L. Baker): Premier and member for Albany, we need to do the speaker's speech justice and let him complete his speech without interjections.

Mr M. McGOWAN: That is not a plan; that is just a jumbled bunch of slogans and prejudices. The only party with a plan for jobs is WA Labor. We are the only one to have done the work, done the thinking, done the talking to the business community, worked through the issues and come up with a plan for jobs. The Liberal and National Parties have not done that. We need only look at the budget papers to see the unemployment rate going to 6.75 per cent, which equates to around 100 000 Western Australians, to know that that is an abject failure on the part of this government. When members opposite arrived in office, the number of unemployed people in the state was fewer than 30 000. In its own budget papers it is shown to be approaching 100 000 Western Australians out of work—the highest number on record. Only Labor has a plan for jobs and understands the importance of diversifying the Western Australian economy. The Premier and the government are a Johnny-come-lately to this issue. The Premier assumed that mining and resources and the boom would roll on forever. He somehow assumed the construction phase would roll on forever. He did not put in the planning; he did not think about the long-term future of the state so when he talks to other industries, they want to know where their place in the sun is and when their opportunities will arrive. That is why we have a plan for jobs and members opposite do not.

Several members interjected.

The ACTING SPEAKER: Treasurer, Premier and Leader of the House!

Mr M. McGOWAN: Labor's plan for jobs includes commitments in the following areas—innovation; tourism; manufacturing; skills; Brand WA; red tape reduction; science; hospitality; training; renewables; infrastructure, defence; coding; local content; industrial lands; the regions; Asian engagement; agriculture; and Aboriginal procurement. Meanwhile, the Treasurer knocks Western Australian manufacturing. He knocked it in his budget speech. The Treasurer claims victory because this state got a measly less than one per cent of the defence build —

Dr M.D. Nahan: interjected.

Point of Order

Mr F.M. LOGAN: Madam Acting Speaker, this house listened to the Treasurer in silence when he delivered his budget speech. However, ever since the Premier has come back into this house, it has emboldened all members of the government to intervene continuously on the Leader of the Opposition. I ask you to call them to order.

Mr C.J. BARNETT: Madam Acting Speaker, further to that point of order, the member for Cockburn is correct. It is convention in this house that members listen in silence to the budget speech and the response by the Leader of the Opposition to the budget speech. However, it is also convention in this house that the budget speech is about the budget and the economy and economic factors. It is not a forum for a member of Parliament to make a personal attack on other members, and that has been the whole tenor of the Leader of the Opposition's speech.

Several members interjected.

The ACTING SPEAKER (Ms L.L. Baker): Members, that is enough!

Mr P.B. Watson interjected.

The ACTING SPEAKER: Member for Albany, I call you.

There is absolutely no point of order at the moment. I agree that there were no interjections on the Treasurer when he was giving his speech; but that was another day. I am in the chair. I do not want to take this kind of action on an ongoing basis. We need to get the Leader of the Opposition back on his feet to finish his presentation.

Debate Resumed

Mr M. McGOWAN: The Treasurer himself, in his speech, knocked the manufacturing capacity of this state. The government failed to secure for Western Australia a significant proportion of the defence ship build for our state. The government complains about South Australia's efforts on defence. The South Australian government did the work. Our government has been flatfooted and hopeless in acquiring defence jobs for Western Australia. The government has no knowledge of, and shows no interest in, acquiring defence jobs for Western Australia. Accordingly, of the total defence ship build that was allocated by the commonwealth government, Western Australia got less than one per cent. The South Australian government has killed the Western Australian Liberal–National government when it comes to acquiring defence jobs for the state.

We then come to innovation. Earlier this year, a massive innovation conference was held in this state. The Premier said at the time that the number of start-ups was shallow. Therefore, it is no wonder that industries across Western Australia are saying, "Why did we not get an opportunity during the boom? Why were we not listened to?" It is no wonder that senior businesspeople in Western Australia are saying exactly that same thing in *BusinessNews Western Australia*. These people—whom we might expect to be the base of the Liberal Party—are saying that the government missed the opportunity during the good times to diversify the economy. However, it is now much more difficult, because the government has wrecked the finances of this state and created the greatest deficit in the history of this state. The only party that has recognised the issues and that is committed to diversifying the state's economy is WA Labor.

Only WA Labor has a long-term plan for public transport. That plan is Metronet. Metronet is an integrated transport plan to connect our suburbs. WA Labor will make sure that part of that build is done in Western Australia. We believe—unlike the Treasurer of this state—in creating manufacturing jobs in Western Australia. This government has run out of puff when it comes to health, education, and community safety. This is a tired, old government, and its time is rapidly approaching an end.

I now want to touch more fully on the state's finances. In 2008, state debt was \$3.6 billion. By 30 June 2020, state debt will be \$40.2 billion—an increase of over 1 000 per cent. The government says that it is not responsible for that increase. The government also says that it has built things. Every government in the history of this state has managed to build ports, roads, power stations, train lines, hospitals and schools. They were able to build those things without wrecking our state's finances. The only government that has not managed to do that is this government. This government has been grossly irresponsible in managing the finances of this state. This government has based its decisions on the intuition and the predictions of the Premier about the iron ore price, and it has engaged in wild and uncontrolled spending. In 2016–17, the deficit will be \$3.9 billion. In 2015–16, the deficit was \$2 billion. In 2017–18, the deficit will be \$1.9 billion. This has been the worst period of financial management in the history of Western Australia.

What is the government's answer now? The Premier has engaged in a career of opposing the sale of monopoly assets such as Western Power and Fremantle port. However, the Premier has now flipped on the sale of those assets—I will come to the language in a moment. Let us look at what the government has said in the last few budgets. When Troy Buswell was Treasurer, the government had a fiscal action plan. That plan was going to solve everything. That plan has disappeared from sight, never to be mentioned again. In the last couple of budgets, the government has proposed the sale and leaseback of State Fleet, the sale of the Forest Products Commission's softwood plantations, and the sale of buildings and streetlights. However, one after another, those proposals have disappeared. The government has also proposed the sale of the TAB. We do not know what is happening with the sale of the TAB. Every plan that this government has come up with has disappeared as time has gone by.

The government said that the sale of the Perth Market Authority was a fantastic achievement. The sale of that asset helped pay off about one month's worth of the interest bill that this government has created. As the member for Cannington has pointed out, the sale of that asset actually had a net negative effect on the state's balance sheet.

I turn now to this budget and to the latest thought bubble from this government. On 7 March 2013, three days before the last state election, the Premier said, and I quote —

The reason that you would retain the energy utilities in government hands is the energy utilities are the major engines of economic growth in this state and only through ownership of utilities can you guarantee supply and reliability of supply, particularly in a State like WA which has a small isolated grid that cannot be connected to the other States.

Three days before the last state election, that was the commitment that the Premier made.

Three days before the last state election, the Premier also said, and I quote —

Claims I will privatise Western Power and the Water Corporation are absolutely false and anyone who puts themselves forward to be the Premier of WA must tell the truth.

That was three days before the last election. The Premier says that that was then and this is now. That is the way the government is heading. Let me quote what was said on 9 February this year by the Premier —

“Western Power also is critical to the development of Western Australia,”...

“If you look at South Australia, a weak economy, it has basically sold all of its assets, they have nothing left to sell, they have nothing to build their future on.

“I’m not going to let Western Australia get in that position.”

That was in February this year. Before the last state election and a couple of months ago, the ironclad commitment of the government was not to sell Western Power and we heard earlier—I mentioned it, but I can do it again—that the ironclad commitment was not to sell Fremantle port. Why is it important that these assets remain in public hands?

Mr C.J. Barnett interjected.

Mr M. McGOWAN: I think the Premier outlined the arguments fairly well before the last state election and in February this year, but let me quote from Western Power’s website. It states —

The SWIN —

That is the south west interconnected network —

covers a very large area of 261,000 square kilometres. Unlike all other major urban areas of Australia which are covered by a series of interconnected networks known as the National Electricity Market ... the SWIN is an isolated, self-contained network. This means that the electricity needs of consumers within the SWIS —

That is the south west interconnected system —

must at all times be delivered by the SWIS itself without any outside support or back up.

The network is massive. It is one of the most isolated, sparsely populated networks in the entire world, without any backup from anywhere else. There has been a longstanding bipartisan position in this state, enunciated by the Premier, that in order to secure supplies and services at a reasonable price for people across this state, particularly in that massive network stretching from Kalbarri to Kalgoorlie and down to Ravensthorpe and everywhere in between, we had to make sure that this network was publicly owned and managed. The Premier himself enunciated the argument succinctly and well before the last state election and, indeed, in February this year. The idea that the government would now sell Western Power is a complete and utter disavowal and betrayal of the position that the Premier has put before the people of Western Australia over the past 25 years.

What is the income? The member for Cannington and the member for Victoria Park set it out very well yesterday. The income produced from tax equivalent payments, dividends and the contribution to the tariff equalisation scheme by Western Power in 2014–15 was \$515.8 million and the income produced by Fremantle port was \$68 million, so the combined total income from Western Power and Fremantle port was \$584 million in 2014–15. Remember, their ongoing operations and maintenance and all the other responsibilities are self-generated. That will be the recurrent loss to the state if these assets are sold. If we understand anything from the past eight years, it is that the problem with this government is that its recurrent expenditure has been beyond its earnings and revenue. The government is planning to reduce the recurrent income even further for the short-term sugar hit from the sale of Western Power and Fremantle port.

The reason this plan is so tricky and so sneaky is that it is not really a plan at all. It is a scheme and a scam to announce between now and March next year what the government is going to spend the proceeds of Western Power and Fremantle port on without actually committing to the sale. We need only go to the budget speech. This is one of the most breathtaking things I have ever seen in a budget speech. It is one of the most breathtaking non-commitments I have ever heard a government give. I want to read it to the house again. The Treasurer said —

... I am announcing today that the Government proposes the sale of:

- Western Power; and
- Horizon Power’s transmission and distribution assets in the Pilbara.

The proceeds will be used to reduce debt and to fund future infrastructure. A final decision to sell these assets will not be made until after the next election.

How can the government spend the money if it has not made the decision?

Several members interjected.

Mr M. McGOWAN: I am sorry; let me read this contradictory paragraph to the house again —

The proceeds will be used to reduce debt and to fund future infrastructure. A final decision to sell these assets will not be made until after the next election.

It is a schizophrenic position. The government cannot have it both ways. Let me go further and read the next paragraph —

A decision to sell the assets will only be made following confirmation that divestment is in the best interests of both taxpayers and electricity consumers.

...

The decision will also be dependent on an effective regulatory regime, which ensures electricity consumers are no worse off.

It is a plan to have a plan subject to three conditions after the next election.

Several members interjected.

Mr M. McGOWAN: He is a very, very grumpy Premier.

Several members interjected.

The ACTING SPEAKER (Ms L.L. Baker): Excuse me, Leader of the Opposition. I just would like to say to the backbench on this side of the house that these guys have been quite quiet.

Several members interjected.

The ACTING SPEAKER: That is enough! The Leader of the Opposition is on his feet. He should be able to deliver his speech without constant interjections, particularly from behind him.

Mr M. McGOWAN: The government is trying to walk both sides of the fence. The National Party is not expressing its position on this issue. The National Party is saying that it will give it consideration and go through its due diligence processes, which will probably be three blokes sitting in the town hall in Wyalkatchem deciding the position. The government is saying that it will make a decision on this issue after the next state election. It is not a plan. It is a scheme and a scam.

There is no substitute for sound financial management. The Gallop and Carpenter governments demonstrated sound financial management. A one-off sugar hit from an emergency fire sale is not a fix; it is short-term thinking and a short-term approach. People have to remember that Western Australia is different from the other states. We are not connected to the national electricity market. Our port is as far away as a port can be; it is 3 000 kilometres away from the nearest container port. There is no competition in the marketplace. Fremantle port produces a significant income for the state. What is more, it ensures that the prices for consumers, both importers and exporters, are kept down. It also ensures that there is capacity to provide a new port in Kwinana. Any sale will mean that the new owner will be opposed viciously and vigorously to a new port being constructed in Kwinana.

The government has acted like financial cowboys for years. It has been the most irresponsible period of economic and financial management in the history of Western Australia, and this budget proves it. Western Australia needs careful, considered economic and financial management. The question that is asked of me everywhere I go is: where did all the money go? How is it that with record revenue, record royalties and the highest per capita income of any of the states, year in, year out, we have ended up in the worst financial position of all the states? We can find out where all the money went only if we get to the bottom of what has gone on and provide transparency. We need to know what happened and why. We need to make sure that it does not happen again. We owe that to the state and we owe it to taxpayers. A common question asked by business is: what are the details of the deals and contracts that have been entered into? I hold up a copy of the front page of *The West Australian* from 29 January 2016 and there it is, the headline that reads “State secrets”. This government has had one hidden deal after another.

Several members interjected.

The ACTING SPEAKER (Ms L.L. Baker): Member for Victoria Park, I am on my feet.

Mr C.J. Barnett interjected.

The ACTING SPEAKER: Premier, I am on my feet. Would you please all be quiet and we will again try to let the Leader of the Opposition get through his contribution.

Mr M. McGOWAN: The government refuses to answer simple questions such as how much the stadium cost taxpayers. The government will not answer questions, and this newspaper article proves it. It provides examples of unanswered questions about contracts and schemes over the course of this government. I refer to the Muja deal, the Perth Stadium deal and the contracting of Serco Australia to conduct services at Fiona Stanley Hospital.

Mr C.J. Barnett interjected.

The ACTING SPEAKER: Premier!

Mr B.S. Wyatt interjected.

The ACTING SPEAKER: Member for Victoria Park, I call you and the Premier for the first time. Please be quiet.

Mr M. McGOWAN: Again, the following are examples of contracts and schemes with unanswered questions: Muja; Perth Stadium; the contracting of Serco to provide services at Fiona Stanley Hospital; the parking contract at Perth Children's Hospital; information technology contracts at Fiona Stanley Hospital and Perth Children's Hospital; the Pilbara underground power project; the Fleetwood Corporation Osprey Village housing project; the solar power rebate losses and disaster; Elizabeth Quay land deals; Ord River contracts; and a lot of others. A whole range of issues are involved in these matters and we need to know how to mitigate the losses and protect taxpayers. To answer the questions that have been posed by the community and taxpayers, we will, if elected, conduct an inquiry into these issues. We will initiate a commission of inquiry and an audit of financial accountability under section 24H of the Public Sector Management Act, the same section used by this government to conduct a range of inquiries. The aim of the inquiry would be to reveal what liabilities taxpayers face and the true condition of the state's finances. The inquiry would examine the financial consequences and liabilities of these contracts, consider the processes of government in awarding contracts, decide whether the interests of taxpayers were protected and identify the processes and policies that limit the capacity to make public the terms of contracts. The inquiry would also make recommendations to ensure transparency and accountability in tender contracts and full accountability of the extent of taxpayer liability; ensure value for money, including creating local employment and investment opportunities in the future; investigate the occasions on which commercial-in-confidence provisions have been used to defend the withholding of contract details and whether they were used legitimately; and improve the transparency of contracts to assist and support local business to better compete for government contracts. We need to shed light on the secrecy of what has gone on over the past eight years. We must minimise the losses and protect the interests of taxpayers. We need to expose the methods that led us to this position and make sure —

Mr C.J. Barnett interjected.

Point of Order

Ms M.M. QUIRK: Despite being named, the Premier continues to interrupt in a most undisciplined fashion.

The ACTING SPEAKER (Ms L.L. Baker): Once again, I ask members to please let the Leader of the Opposition complete his budget contribution in quiet.

Debate Resumed

Mr M. McGOWAN: We need to expose the methods that got us into this position to make sure that it never happens again.

In conclusion, Labor has been a policy-heavy opposition. We are ready for government. We have released our plan for jobs and we have released our plan for transport. We have released policies in diverse areas, such as education, community safety and the environment. Our policies refer to the better treatment of non-government organisations, EduCare, disability services, a methamphetamine strategy, making sure women get a better and more equal go in our community, domestic violence, dangerous sex offenders, not-for-profits and, just last week, we released a policy on animal cruelty. In a whole range of areas we have released policy after policy, idea after idea for the future of Western Australia. We will not go into the next state election as a small target; rather, we will go into the next state election with a policy agenda that will improve the situation of this state and its long-term future.

Western Australia deserves better. Western Australia should be leading the nation. We should have the strongest finances, the strongest industries, the lowest unemployment rate, the best balance sheet and a stable government that knows who its Premier will be. We deserve better than the government that we have. Western Australia is better than this government. We are a proud state with boundless talent and potential. Only WA Labor has done the work to prepare this state for the future, diversify the state's economy and make sure a wider array of industries have a place in the sun to create jobs and train our young people. Western Australia is ready for a change of government; indeed, it needs a change of government. Our plans are ready for government. My team is ready and I am ready. I say to the people of Western Australia: unlike the government they have today, a McGowan Labor government will be a government for them.

MR R.F. JOHNSON (Hillarys) [1.38 pm]: First of all, I am going to compartmentalise my budget-in-reply contribution into different areas. I will talk about certain aspects of the budget and the budget in general. I will also talk about my electorate and what I believe are the very serious consequences of the behaviour of certain people. I preface my comments for that particular section of my contribution by saying that I have yet to make up my mind whether I will run as an Independent Liberal at the next state election. I am polling my electorate because I believe the people in my electorate need to have a say in who represents them at the next election. I want to know whether they want me to continue serving them. A polling paper is being printed and it will be delivered to homes in my electorate by Australia Post. The paper poses a simple question and people do not have to identify themselves. It simply asks whether they would like me to continue to represent them at the next state election in 2017. In saying that, I make it quite clear that I could well run as an Independent Liberal even though the comments I am about to make might lead members to think that that is not the case. I assure members it could well be the case. Whether or not I run as an Independent Liberal, the people in my electorate face some serious issues.

Interestingly, the Western Australian Liberal Party has never selected a Jewish candidate. How interesting was the reaction when it did a few weeks ago in Hillarys? The hardline so-called Christian right—the religious cult, as I call them—which is part of the Liberal Party’s ruling faction, vetoed his preselection. The successful candidate, Simon Ehrenfeld, won 26 votes to nine. I do not ever recall a landslide preselection such as that being thwarted. I understand that many respected Liberals from the state president down are fuming at such a blatant misuse of power by the ruling faction. Despite all the huff and puff about Liberal Party members not being able to endorse me again because of my outspokenness, the truth is that they just wanted to put in their factional hack. They fed off the back of those bigots who just wanted to stop Mr Ehrenfeld, who is Jewish, obviously. One of the faction’s underwhelming members of Parliament, the federal member for Moore, emailed me two years ago on behalf of himself and several other MPs saying that I could stay as long as I wanted to if I toned down my behaviour. Even though I had made an independent run for Speaker against the Premier’s nominee and criticised the government on a number of occasions, these parliamentarians wanted me to stay on; in other words, they just wanted to stop Mr Ehrenfeld. The amazing irony was that when Mr Ehrenfeld was selected, they started to argue that he was associated with me. This was not the first time that that ruse was exposed. When Mr Ehrenfeld said in 2014 that he wanted a position in the Moore division, the ruling faction said no because he was too close to Rob Johnson, and they then proceeded to make my wife the vice-president of the division. As members can see, it was never about stopping me. Much to my embarrassment, the federal member for Moore was the Rob Johnson candidate, as everyone knew. I was closely associated with him for about 20 years. I thought he would have improved somewhat with a bit of experience, but I have been sadly disappointed. Press releases from him on how he rewards himself with Rolex watches are but the tip of the iceberg. The factional corruption in the party is going to make it much easier for me to be re-elected as the member for Hillarys because everything I have been saying has been proven to be true. The overwhelmingly endorsed local has been thrown out and this Saturday the factional hack who has lived most of his life off the taxpayer and who arrived from Victoria in 2010 will almost certainly be shoehorned in. I am looking forward to the party machine justifying why it has foisted him upon the people of Hillarys. He did not even score double digits at his preselection; that is how much the locals do not want him. I have to admit that I feel sorry for Mr Ehrenfeld because he has been doing his job as the Hillarys branch president and he is supposed to support the sitting member, which he did with dignity, even though he is somewhat uncritically a fervent support of the Premier and the government. In fact, no-one has criticised me more than Mr Ehrenfeld, but he always did it professionally. I never begrudged him his loyalty to the party. Since I have gone Independent, he is only one of a handful of people to tell me how disappointed he is. It is certainly not, however, what most of the other electors of Hillarys are saying. When they run the narrative that I preferred Mr Ehrenfeld, I only say that of the two Hillarys preselection candidates, I feel more sorry for him. The state executive and the parliamentary party did not make any moves to kick me out because half of them agreed with what I had been saying and the other half did not care or lacked some courage. Mr Ehrenfeld is finding out the hard way what party loyalty gets you with the current powerbrokers who run it. He will find out again this Saturday when he faces the state council, which is controlled by the same people who thwarted the local people in Hillarys.

It is interesting to note that the editorial in *The West Australian* of Monday, 16 May 2016 stated —

... the factional warlords who have already caused considerable public disquiet and alarm in the business community.

The party’s 130-strong State Council—battleground of the warlords—has done little to instil confidence in the public or enthusiasm in its grassroots supporters by riding roughshod over local preselections.

The council’s recent decision to overturn the clear-cut local choice of businessman Simon Ehrenfeld in Hillarys, without ... explanation, suggests a party riven by internal division.

What is interesting is that WA’s main newspaper has started to realise the relationship between our perilous finances and a lack of talent in the WA parliamentary party. When someone of ability gets selected, the faction stomps on it.

It is important to explain what the faction is and to delve into the lack of financial smarts exhibited by its members. In the northern suburbs, the factional head is also the government leader in the other place. His financial incompetence is well understood. Apart from being the biggest spending education minister in history, a badge he wears proudly, his bungling of the Muja power station was scandalous, ably aided and abetted by a chief of staff who is now—you guessed it—the man they are trying to shoehorn into Hillarys. As people know, the minister rose to power by forging a signature or two or three, but more of that —

Point of Order

Mr C.J. BARNETT: The member is clearly reflecting on a member of the other house and it is entirely inappropriate.

Mr W.J. JOHNSTON: On that point of order, these matters have been canvassed in the past. The member is simply quoting from the comments of the member involved to the ABC on *The 7.30 Report* some years ago when the member himself said that he forged signatures on documents for the Liberal Party. It is not an allegation. It is simply repeating a statement made on the ABC 7.30 by the member himself. I do not understand how repeating comments from *The 7.30 Report* can be unparliamentary.

The SPEAKER: Member for Hillarys, I understood you were talking about the chief of staff who is now the candidate.

Mr R.F. Johnson: No.

The SPEAKER: Have you moved on from that now?

Mr R.F. Johnson: Yes.

The SPEAKER: I will just read standing order 92 to you, which states —

Imputations of improper motives and personal reflections on the Sovereign, the Governor, a judicial officer or members of the Assembly or the Council are disorderly other than by substantive motion.

I ask you to be aware of that standing order.

Debate Resumed

Mr R.F. JOHNSON: Thank you, Mr Speaker. As the member for Cannington quite rightly said, what I have said is on the record. It was on *The 7.30 Report* and it was admitted by the member in the other place. I am not impugning his reputation. It has already been impugned; it was a few years ago. I am simply repeating that that is the history of that particular person, but I take your ruling, Mr Speaker.

As is well known, the Moore division of the Liberal Party, which I was a part of for over 25 years, has fallen under the spell of the religious cult Globalheart Church. While I was away in late August–early September last year, six branch annual general meetings in Moore division were all held in a small room at the Joondalup country club. The notices for the branch meetings were scheduled as follows: Currambine–Kinross on Saturday, 29 August at 2.00 pm; Mullaloo–Kallaroo on Saturday, 29 August at 3.00 pm; Mindarie–Clarkson on Sunday, 30 August at 2.00 pm; Ocean Reef–Burns Beach on Sunday, 30 August at 3.00 pm; Joondalup–Connolly on Saturday, 5 September at 2.00 pm; and Edgewater–Craigie on Saturday, 5 September at 3.00 pm. The notices for all branch AGMs were sent out from the federal member’s office. No notices had on them any contact phone number for the president or the secretary of any of those branches. All apologies had to be made by email to a central Moore division address. Members were not provided with a nomination form and no number was provided to ring for one to put in an apology or for any queries. The Globalheart puppet-masters were hanging around in the corridor. At every AGM on the first weekend the president read from the same script. Although they often floundered through, the federal member for Moore was there directing them. Nearly all the attendees were followers of Globalheart. Few people seemed to have any interest in politics. At the Edgewater–Craigie branch AGM, they froze out a lady who was also a founder of the old Edgewater branch. She had been a party member for some 30 years and was chairman of the candidate selection committee for eight years. One would think that they would regard her as qualified to be a delegate to a couple of things; however, they ensured that all the positions went to a group of people who I can honestly say had no idea what they were doing or what they were running for. The president of that branch is a 24-year-old bigot who came to my attention about 12 months ago via a prominent party member concerned about his anti-Israel rant on social media. He has since posted a raft of offensive anti-Muslim rants and urged people to vote for the Australian Liberty Alliance in the Senate at the forthcoming election. This is not the only distraction for people when promoting other candidates. The federal member for Moore, before he became the member, told me that he contributed to a campaign that was running against a Liberal candidate, which I find quite extraordinary. Elsewhere, when we look through this president’s postings, we can see that the federal member for Moore made a specific point of catching up with this gentleman while he was in Queensland. After all, living in Queensland for a year and a half did not prevent him from continuing to be president of the Edgewater–Craigie branch, not when he is in the faction to which he belongs. This charming gentleman also posted that he had a wonderful lunch with the government upper house leader.

Those who read this morning's *The West Australian* will see that even though the federal member for Moore is not bothered by his branch presidents living interstate, he is utterly obsessed with the residence of Mr Ehrenfeld, and he has made a spurious complaint to the Australian Electoral Commission about Mr Ehrenfeld, based on a title search of his property. I hope that other constituents in Moore do not think that it is normal behaviour for their member to be conducting such amateur investigations on them, and making sure the media knows about them. The federal member for Moore is on the public record as backing the faction's candidate, indicating he will stop at nothing. He has admitted to "bombing" the Padbury branch with people from One Church. That is another religious cult based in Quinns Rocks, which is miles away from the Padbury branch. As I said, they came from One Church in Quinns, and they live outside the electorate, over 20 kilometres away. Under party rules, a branch needs to have a majority of members living in the area, and the member thought he could get the branch disqualified by doing this. A normal Liberal member of Parliament would sign up more supporters in the electorate, and then win at the branch annual general meetings. Unfortunately, the federal member for Moore does not have those supporters, and he needs to resort to bombing branches with outsiders from religious sects, or memberships that are fraudulent altogether.

As I mentioned earlier, the titular head of this faction in the northern suburbs is no stranger to membership forgeries, and that culture filters down. Last year, the Padbury branch received 10 membership applications from people who had no idea they were being joined to it. A close investigation of the forms reveals that these members had in fact joined the University of Western Australia Liberal Club a year earlier, but the applications had been whited out and changed to Padbury, and their signature dates had been altered from 2014 to 2015. The federal member for Moore publicly admitted that those forms came from within his office. One of his poor staffers had to take the fall for him, and resigned from the party over the affair, but of course, she still works for him.

On 29 February this year the federal member for Moore told the ABC that I was promoting someone who "belonged to a non-Christian religion. That is why religion has become an issue in the first place." Apart from being a bigot of the so-called Christian right, the federal member for Moore does not seem to know how to win by lifting himself up, so he focuses on dragging others down. This is the type of behaviour that makes people cynical about politics. Under his strict instructions, his acolytes in the Moore division do not meet. The division is meant to hold annual general meetings every 12 months, but has failed to do so a number of times. The division executive never meets. The Moore division came out of suspension only this year because an AGM was forcibly called by head office following the redistribution. This Moore AGM was attended by a significant entourage from the Stirling division. What were they doing there? For those who are not aware, there has been a grassroots revolt in Moore division. This religious sect had moved from total dominance to forming less than 50 per cent of the membership. The party had the chance to finally rid itself of this menace, but what did the member for Carine do? He delivered his tiny numbers to save them, because the member for Carine is only there because he has signed up so many people from within his ethnic community. The entire faction holds together —

Mr A. Krsticevic: Rubbish! You're a liar!

Withdrawal of Remark

The SPEAKER: Member for Carine, I want you to withdraw that, please. You have called the member a liar. Withdraw it, please.

Mr A. KRSTICEVIC: I withdraw.

The SPEAKER: I call you to order for the first time. I do not want to hear any more; I want to hear the member for Hillarys.

Debate Resumed

Mr R.F. JOHNSON: Thank you, Mr Speaker. Can I just say —

Mr A. Krsticevic interjected.

The SPEAKER: That is enough.

Mr R.F. JOHNSON: He knows that it is true; he boasted about it. He can sign up the Croatian club. That is all his members.

Mr A. Krsticevic interjected.

The SPEAKER: We have been through this point. You have been called to order. Through the Chair, member for Hillarys.

Mr R.F. JOHNSON: I would like to, Mr Speaker, but he is just interjecting again because he cannot stand the truth.

I was very interested in the news article this morning headed "Liberal v Liberal in row over State election candidates". This involves the federal member for Moore again. He has made a complaint, apparently to the

Electoral Commission. I have news for the member for Moore: I have already made a complaint to the Electoral Commission, and I have asked it to carry out an investigation into what I believe is somewhat fraudulent funding of campaigns, including my own, within the Moore division during the 2013 election period. I have asked to include my own because I did not do it; it was done by the federal member for Moore and his treasurer at the time. This is the same person, the bigot, whom I mentioned earlier, who has posted all sorts of things on Facebook.

I believe the transactions are fraudulent, and I can tell the house what they are. There were some generous donations, not to me, but to the member for Joondalup. The member for Joondalup got a \$12 500 donation. He was the president of the division at the time—a division that had not met for probably more than a year. Executive meetings of the division were never called, and the division never called an AGM, so it went into suspension. The federal member for Moore and the member for Ocean Reef are part and parcel of the religious sect running the Moore division. It is still running it at the moment; it has control of it—not total control, but overall control. That is how they behave. The people who told the treasurer to write out the cheques were the federal member for Moore and the member for Joondalup, as the president of the division at the time. He said at the meeting that he is not a signatory. It does not matter who the signatories are; it is who authorised that treasurer to pay those sums to those campaigns, and mine is included.

I have asked the Electoral Commissioner to carry out a good investigation into that, because to me it is wrong. Those payments were never authorised. They can be authorised only by the divisional executive, but the divisional executive meeting was never called; it was simply at the whim of these people, who seem to treat it like their own piggy bank—the federal member for Moore, the member for Joondalup, and the religious cult that runs the place up in the northern suburbs. There is more than one such cult; there are two now. They are all getting involved. They are the people who told the treasurer to write out these cheques for the campaigns. I did not actually get a cheque. I have complained to both state directors of the Liberal Party over the past couple of years and asked them to please investigate what I think is basically a fraud. The people who made those donations were Liberal Party members, and it was part of their memberships that goes into the funds of the Moore division. Neither Goodenough, the federal member, nor Norberger, the state member for Joondalup, had the right to direct any of those funds without the approval and the authority of the divisional executive. That divisional executive was never called to meet. I know, because my wife was on the executive; she was the vice president, and when we asked for the minutes, if the executive had met, they could never supply them. The people who donated that money were the individual members of the Liberal Party. Normally they would give the authority to the divisional executive to dispense that money, if they want to, and put it into campaigns.

I will tell the house who the people were who benefited from these funds. The member for Carine got \$750. He represents only a tiny little part of the Moore division, but he still got \$750. The Liberal Party Hillarys campaign supposedly got \$3 700. I do not remember getting that amount, but the document refers to a payment direct to Cafe Bellini for the Hillarys campaign dinner. They received money from the people who attended that dinner, but they say that they paid it. That is a nonsense; that is not what it should be.

Mr F.M. Logan: It is outrageous.

Mr R.F. JOHNSON: Yes, it is outrageous, absolutely. It is corrupt.

The SPEAKER: Member, I refer you to the standing orders. Just be very careful with the terminology you use.

Mr R.F. JOHNSON: Mr Speaker, I am just speaking the truth.

[Member's time extended.]

Mr R.F. JOHNSON: That was what they allocated to me, and I question that. The annual return for the seat of Hillarys, which goes in for every campaign, was signed by the treasurer at the time. I did not see this until afterwards, but I think it is wrong, and this is why I am asking the Electoral Commissioner to investigate it.

To carry on, the Liberal Party Moore campaign received \$5 000. The federal member for Moore gave himself \$5 000 for his campaign. The member for Joondalup gave himself \$12 500 for his campaign.

Mrs L.M. Harvey: So what?

Mr R.F. JOHNSON: So what? It is corrupt. The minister would not know about that; she has a terrible personal history in law and order. We will go into it one day.

Several members interjected.

The SPEAKER: Through the Chair, member for Hillarys.

Mr R.F. JOHNSON: If they want to interject on me, they deserve to get it back. I will go into detail.

Mrs L.M. Harvey interjected.

Mr R.F. JOHNSON: Just be quiet.

They got that, and the Liberal Party Ocean Reef campaign got \$3 000. That was all dished out by the then president of the Moore division, the member for Joondalup, and the federal member for Moore, without any authority whatsoever.

Mrs L.M. Harvey interjected.

Mr R.F. JOHNSON: We know how the Minister for Police skates on thin ice when it comes to law and order. She should not be in that position. Why does she not tell the truth in this place?

The SPEAKER: I do not want to hear from the Minister for Police; I want to hear from the member for Hillarys.

Mr R.F. JOHNSON: We will hear more about this, because in my contribution to the budget debate I want to go on to the misleading of the house by that particular minister. I will run out of time very shortly, but I will carry on after question time, because that is the other area I want to cover.

Mr F.M. Logan: We look forward to it.

Mr R.F. JOHNSON: Absolutely members look forward to it, because the minister has misled the house and the public. I have evidence here that I will produce to the house. It is the biggest con going. She has conned the public and she has conned this house, in my view, by misleading it. That is what is happening in relation to that particular issue. The federal member for Moore can put in any complaints he likes.

Debate interrupted, pursuant to standing orders.

[Continued on page 3216.]

QUESTIONS WITHOUT NOTICE

WESTERN POWER — TAX EQUIVALENT PAYMENTS

304. **Mr W.J. JOHNSTON to the Minister for Energy:**

I refer to the minister's statement in the house yesterday that Western Power has not paid tax equivalent payments to the government during the time he has been Minister for Energy.

- (1) Has the minister read the Western Power annual reports for the years 2013, 2014 and 2015—the years he has been minister?
- (2) Does the minister accept that each report shows the payment of tax equivalents by Western Power for each year?
- (3) If these payments were not made to the WA consolidated fund, where were they sent?

Dr M.D. NAHAN replied:

- (1)–(3) I thank the member very much for those questions. Yes, people on the opposite side are of the central tenet that Western Power is a very large cash cow for the government, which is based on the idea of whether or not it pays tax equivalent income payments to the state. There are three major payments listed in the budget papers, and if the member read the budget paper, he would understand that. The first is tax equivalent payments; the second is payments to local governments, which are not large and are stated there; and the third is dividends. Western Power does pay dividends, but under my watch it makes no, and has made no, income tax equivalent payments to the state. The reason for that is that it has large offsetting losses that have accumulated. As a result of those large offsetting losses and discussion with Treasury, Western Power has been exempt from making any income tax equivalent payments to the state. This is identified in full and detailed in appendix 8 on page 275 of budget paper No 3, which lists Horizon Power, Synergy and Western Power. Let us take Synergy as an example. As I indicated, it has three sources of flow: income tax, local government and dividends. Synergy pays all—income tax, payments to local government and dividends. Western Power pays local government and dividends, but no income tax. That is the issue. Read the budget papers. I know that Labor has this pet consultant from Queensland who the Electrical Trades Union has hired, as it did in the Queensland debate, and he concocted a story that the state received income tax payments—receipts. The annual report does have income tax payments in it, but they are not transferred to the state government. They are used to offset accumulating losses in Western Power. The reason that Western Power does not pay any income tax payments at all is that it has huge ongoing losses against it. Why? Because year after year it has not been a cash cow, but a cash drain, both in the operating and capital sense, to the general government sector.

WESTERN POWER — TAX EQUIVALENT PAYMENTS

305. **Mr W.J. JOHNSTON to the Minister for Energy:**

I have a supplementary question. Is the minister saying that instead of paying money to the government, it is increasing the asset base of Western Power?

Dr M.D. NAHAN replied:

No, the member and his ETU —

Mr W.J. Johnston: That is exactly what you are saying. It is one or the other.

Dr M.D. NAHAN: No, in his reply to the budget speech, the Leader of the Opposition —

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington!

Dr M.D. NAHAN: The member asked me a question.

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington, I call you to order for the first time. You are not helping the situation.

Dr M.D. NAHAN: The member asked me a question: does the general government sector receive income tax equivalents? No. I answered no; I said no. The opposition leader concocted a story of \$514 million in 2014–15 being transferred to the general government sector from Western Power, and that included an income tax payment. That is not transferred through, so the opposition is concocting the whole story. This is a serious issue. These people have stood up here and one of the major reasons they say that we should not consider the sale of Western Power is the claim of \$514 million—and they got it wrong.

Mr W.J. Johnston: No, we didn't.

Dr M.D. NAHAN: They got it wrong. They repeatedly got it wrong. They are presented with the facts. The budget paper indicates and states accurately how much income tax, dividends and local government payments are transferred to the state from various public trading enterprises, and it lists zero for Western Power.

Mr W.J. Johnston: Because you are increasing its capital value.

Dr M.D. NAHAN: No. Let us go to the issue of the capital base. It made these profits and it has to offset any losses, right? It is offsetting losses in the business.

Mr W.J. Johnston interjected.

The SPEAKER: Members!

Dr M.D. NAHAN: So, Mr Speaker —

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington!

Dr M.D. NAHAN: It is offsetting accumulated tax losses in the business.

Mr W.J. Johnston: That means it's increasing its capital value.

Dr M.D. NAHAN: Really?

Mr W.J. Johnston: Yes.

Dr M.D. NAHAN: It is offsetting —

Several members interjected.

The SPEAKER: Sit down, minister.

Mr W.J. JOHNSTON: I have a point of order, Mr Speaker.

The SPEAKER: You sit down. I am on my feet.

Mr W.J. Johnston: This is ridiculous.

The SPEAKER: It is not ridiculous, I am on my feet. You were asked a question, minister. I want a short answer through the Chair.

Dr M.D. NAHAN: The member asked me a question and he stated that in the annual report of Western Power an income tax profit was specified. He wanted to know whether in fact it was transferred to —

Point of Order

Mr W.J. JOHNSTON: That is not what I asked. What I asked was this: minister, if these payments were not made to the WA consolidated fund, where were they sent? He has explained that they increase the capital value of Western Power. That is exactly what he said.

The SPEAKER: Thank you. Right, where were they sent?

Questions without Notice Resumed

Dr M.D. NAHAN: Let me answer this. The first question he asked me was: were they transferred to the general government sector? No. There has not been, under my watch, any —

Mr W.J. Johnston interjected.

The SPEAKER: Member for Cannington!

Mr W.J. Johnston: I did not ask that.

Dr M.D. NAHAN: Yes, the member did.

The answer is that under my watch there has been no transfer of income tax equivalent from Western Power to the general government sector—first question, no.

Mr W.J. Johnston: That's not what I asked.

Dr M.D. NAHAN: Yes, the member did.

Second, the Leader of the Opposition made that a central tenet of his speech that we just persevered through, and he was wrong. Then, if there was that income tax in Western Power, does it offset or increase the value of the asset? It offsets accumulating losses, depending on how the asset is treated.

LATHLAIN PARK — REDEVELOPMENT

306. Mr J.E. McGRATH to the Minister for Sport and Recreation:

Mr Speaker —

Several members interjected.

The SPEAKER: Treasurer, member for Victoria Park, the previous question is finished.

Mr J.E. McGRATH: My question is to the Minister for Sport and Recreation. Last Friday, the minister announced that Lathlain Park would receive a \$10 million state government injection to help redevelop that precinct into a community and sporting hub for the south eastern suburbs. Could the minister explain to the house how else this government is supporting the great sport of Australian Rules football?

Ms M.J. DAVIES replied:

I thank the member for South Perth for the question. He is correct. He, the member for Belmont, the Premier and I were out at Lathlain Park last Friday.

Several members interjected.

The SPEAKER: Member for Victoria Park, member for Churchlands and member for South Perth, I call you all to order for the first time.

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale, I do not want to hear from you.

Ms M.J. DAVIES: I am sure the project has the support of the local member, because it is a fantastic —

Mrs M.H. Roberts interjected.

The SPEAKER: Member for Midland, I call you to order for the first time.

Ms M.J. DAVIES: I do not remember any ministers from the Labor Party visiting —

The SPEAKER: Through the Chair; quickly.

Ms M.J. DAVIES: — regional Western Australia in my time.

Mrs M.H. Roberts interjected.

The SPEAKER: Member for Midland, I call you to order for the second time.

Mr V.A. Catania interjected.

The SPEAKER: Member for North West Central, I call you to order for the first time. For a simple question, this is unbelievable.

Ms M.J. DAVIES: I am sure Lathlain Park has the support of the local member because it will be an amazing precinct for this region—not only for the Town of Victoria Park, but also for the surrounding suburbs. We announced that \$10 million would go into redeveloping community facilities. Significant investment from other partners is going into the region. The investment that the state government has made will go towards building an additional oval and rebuilding the existing oval. We are talking about increasing public open space, which is much needed in that area. There will be oval lighting, a new scoreboard, a synthetic running track around the

edge of the precinct, new tennis courts, pathways and a playground. Essentially, these funds will activate the entire space to go alongside the investment that we all know the West Coast Eagles will make to relocate and make their new headquarters in that suburb.

The other thing this injection of funds will do is allow the Wirrpanda Foundation to have a permanent home. Everyone in this house would be well aware of the value that the Wirrpanda Foundation delivers. It has essentially been homeless for the last 11 years. These funds will give it a shopfront and allow it to embed itself into the community that it is doing great work with. I know that it is very excited about having the opportunity to interact not only with the community grassroots sporting clubs that will be based at and using that facility, but also right up to the elite end of the AFL. That is a model that we have used quite successfully. We have made that investment out at Cockburn, with similar investment from the state government and co-investment from the AFL, the Fremantle Dockers and the local government. We think it is a model that works and that is why we support it. We will have interaction with community grassroots clubs all the way through to the elite. There will be nothing better than those little tackers having the opportunity to run around and potentially interact with their idols, and also activate that whole precinct. That comes off the back of significant investment that this state government has made since coming to government into supporting grassroots and elite football right from our smallest clubs to the WAFL in redeveloping some of their sporting facilities, which allows them to continue to support grassroots football as well.

Mr P.B. Watson: What about giving them a pathway once they leave Subiaco Oval?

Ms M.J. DAVIES: It is funny that the member should mention that.

The SPEAKER: Member for Albany, I call you to order for the second time. If you want to ask a question, put your name down. A quick answer.

Ms M.J. DAVIES: It is funny that the member for Albany should mention that because, as he is very well aware, we are building a new 60 000-seat stadium that will become the new home for the AFL to showcase its great sport. I am sure that the member has read the budget papers and seen the modelling that we have done, which will allow us to continue to support the WA Football Commission to deliver grassroots sport and develop —

Several members interjected.

Ms M.J. DAVIES: All the assumptions that we made and modelled allow us to continue to support —

Ms R. Saffioti interjected.

The SPEAKER: Member for West Swan, I call you to order for the first time.

Mr P.B. Watson interjected.

The SPEAKER: Member for Albany, I do not want to hear from you.

Ms M.J. DAVIES: The assumptions that have been made in the modelling for the new stadium allow us to support the WA Football Commission to continue to deliver to grassroots football. This state government can very proudly stand on its record of investment into sport and recreation, in particular, AFL football. We do it because we know that AFL football is part of the community and it delivers very important social and economic benefits to all Western Australians.

**BELL GROUP COMPANIES (FINALISATION OF MATTERS AND DISTRIBUTION
OF PROCEEDS) AMENDMENT BILL 2016 — HIGH COURT DECISION**

307. Mr B.S. WYATT to the Treasurer:

I refer to the Treasurer's comments on the Bell Group legislation yesterday when he said —

We had a deal with the commonwealth that it would not oppose the Bell act.

- (1) Who in the commonwealth did the Treasurer have that deal with?
- (2) What was the nature of the undertaking?
- (3) Will the Treasurer table the proof of that deal that he struck with the commonwealth?

Dr M.D. NAHAN replied:

- (1)–(3) The agreement was with the then Treasurer, Hon Joe Hockey. When we passed the Bell Group act, we knew that we needed the cooperation of the commonwealth on two fronts at least. First, under the Corporations Act, it had the ability to strike down the act that we had passed through regulation. If it chose to do so, the Bell act would have been null and void. We got an agreement that it would not do that.

Mr M. McGowan: In writing?

Dr M.D. NAHAN: Yes. The Leader of the Opposition did not ask the question.

Second, there were tax issues. I was advised that the commonwealth Solicitor-General would be on call on any constitutional issues to the High Court; he would be there. The issue that was eventually struck down was the Australian Taxation Office issue. The High Court did not make a decision on the wider constitutionality or, indeed, on the Corporations Act.

Mr B.S. Wyatt: No, but it knocked it over because it was inconsistent with the Constitution, so it was a constitutional issue.

Dr M.D. NAHAN: On tax, with the ATO. Our understanding with the commonwealth at the time —

Mr B.S. Wyatt: Was it an understanding or a written acknowledgement?

Dr M.D. NAHAN: It was a letter.

Mr B.S. Wyatt: Will you table it?

Dr M.D. NAHAN: Yes, I will.

Mr M. McGowan: Binding the ATO.

Dr M.D. NAHAN: Yes. Again, the member did not ask the question. I ask him to keep quiet. It is an important question. He should not muck it up.

The understanding was that the commonwealth would not use the powers under the Corporations Act with the regulations null and void and it would not take an action to the High Court on the ATO and tax issues. In the end the ATO and the commonwealth Solicitor-General did join the action and they were successful in throwing the issue out.

Mr B.S. Wyatt: Getting it ruled invalid?

Dr M.D. NAHAN: Yes, that is right. First, they made a range of statements on the Corporations Act but they asked the court not to adjudicate on that.

Mr B.S. Wyatt: They didn't need to.

The SPEAKER: Through the Chair. If you want a supplementary, you will get a supplementary.

Dr M.D. NAHAN: Second, they did take strong action on the constitutional aspects—section 109 or whatever the tax issues are. As a result of that, the act was declared null and void and they did not adhere to the agreement.

BELL GROUP COMPANIES (FINALISATION OF MATTERS AND DISTRIBUTION OF PROCEEDS)
AMENDMENT BILL 2016 — HIGH COURT DECISION

308. Mr B.S. WYATT to the Treasurer:

I ask a supplementary question. I thank the Treasurer. I confirm that he will table that letter. Can he confirm that the agreement also included an agreement that the ATO would not take action?

Dr M.D. NAHAN replied:

There were extensive discussions between myself and the Treasurer, Joe Hockey, my staff, the Solicitor-General's staff and Insurance Commission of WA staff on a range of issues, including tax.

Mr B.S. Wyatt: But not the ATO.

Dr M.D. NAHAN: The Treasurer was the minister at that time responsible for the ATO. Now it is Hon Kelly O'Dwyer, but at that time the Treasurer was the minister who had oversight for the ATO.

PLUSLIFE

309. Mrs G.J. GODFREY to the Minister for Health:

I note the recent budget announcement for PlusLife to establish new premises in Midland. Could the minister please advise the house how this will help PlusLife support people with serious medical needs?

Mr J.H.D. DAY replied:

I thank the member for Belmont for the question. The health system in Western Australia is large and diverse and has many aspects to it. An important role is played by the —

Mr B.S. Wyatt: That's one way to describe it.

Mr J.H.D. DAY: Does the member want me to give him a fuller lecture? For this purpose, I will confine my comments to the non-government sector and not-for-profit organisations, of which an important one is PlusLife, which is an organisation that was established in 1992, originally as Perth Bone and Tissue Bank Inc. It is responsible for providing bone and tissue grafts for people who need such donations—typically people with bone

tumours, joint problems and traumatic injuries and also for children and adolescents who have spinal deformities. It really is an essential service that is provided in Western Australia by PlusLife as it is now called. Since it has been established 16 400 grafts have been provided for nearly 10 000 recipients Australia-wide, including over 6 000 in Western Australia. In recent years, PlusLife's accommodation has been on the Hollywood Private Hospital site but it will be required to vacate that location, I think, near the end of this year. The government has therefore agreed to a \$10 million capital grant to relocate the facility to new facilities in the Metropolitan Redevelopment Authority accommodation, very close to the Midland rail station in what is a heritage building as part of the former Midland railway workshops. I understand the particular location was requested by PlusLife and we are very pleased that we have been able to accommodate it in a precinct that includes the still very new Midland Public Hospital and will include the Curtin University facilities for the establishment of a medical school in Western Australia. The precinct in Midland is becoming quite a major health precinct, and is benefiting from other substantial decisions made by this government and the previous coalition government to locate major police facilities in Midland, which was really a catalyst for major redevelopment.

I was very pleased to receive a letter from Anne Cowie, the managing director of PlusLife yesterday when, among other things, she commented as follows —

This capital grant has literally been life saving for PlusLife and has secured the future of this service for our state; and the ongoing employment of its staff.

This is another demonstration of the government's commitment to ensuring that we have a very well funded and well provided for health system in Western Australia dealing with the needs of Western Australians and Australians more widely through organisations such as PlusLife. We are delighted that that facility will be located in Midland where major government facilities have been developed in the last few years.

STATE BUDGET 2016–17 — MENTAL HEALTH

310. Dr A.D. BUTI to the Minister for Mental Health:

I refer to the \$18 million cut from the Mental Health budget last week, specifically the \$4.3 million for prevention, promotion and anti-stigma programs and grants.

- (1) Can the minister outline to the house which mental health issues the government is least interested in preventing?
- (2) Can she explain what mental health topics the government no longer wishes to promote and why?
- (3) Can she tell the house which stigmas her government is comfortable for Western Australians to live with?
- (4) Why is she cutting funding to mental health services when there is record demand for those services?

Ms A.R. MITCHELL replied:

I am always delighted to speak about what this government is doing in the area of mental health because we have made a massive investment in mental health and we will continue to make massive improvements in the way people with mental health problems are treated and worked with. I find the question interesting.

Point of Order

Dr A.D. BUTI: I asked four parts of the question and I would like them to be answered.

The SPEAKER: Points of order should be taken in silence; that is number one. Number two, I am prepared to give the minister some leeway to lead into the question and then can she please address the four points of the question. But I must stress again that a question with four parts to it is very difficult for a person to answer. It would be better to ask shorter questions and perhaps we will get shorter answers.

Questions without Notice Resumed

Ms A.R. MITCHELL: I am very pleased to respond to the member for Armadale. I acknowledge his interest in the area but I can assure him that this government is well ahead of his party and we will make a huge difference again, particularly after this budget announcement. We have talked about what we are doing. He said that we have cut the budget. No; we are making sure the money we spend is much better used. There is duplication in places. Some programs are not relevant to the mental health drugs and alcohol plan. We are making sure we more effectively use the money we have allocated to get the best results.

Point of Order

Dr A.D. BUTI: I have given some leeway, as you asked.

Several members interjected.

The SPEAKER: Let us hear this in silence!

Dr A.D. BUTI: The minister has not addressed specifically any part of the four-part question.

The SPEAKER: As long as it is germane to the question, the minister can answer it in the way she deems fit. She has answered it and has sat down. Would you like to ask a supplementary?

Questions without Notice Resumed

Dr A.D. Buti: Has she finished? I do not think the minister has finished.

The SPEAKER: Have you finished?

Ms A.R. MITCHELL: No.

The SPEAKER: Sorry, minister, I thought you were finished. Sorry; I was wrong there.

Ms A.R. MITCHELL: I was just showing that I know how to behave in the chamber by sitting down when you were standing.

Mr P.C. Tinley interjected.

The SPEAKER: Member for Willagee, thank you. I call you to order for the first time.

Ms A.R. MITCHELL: Thank you, Mr Speaker. I am very pleased to talk about mental health. The question the member asked is about a reduction in some programs and some services. As I said, we are making sure the money we spend is used effectively and at the level and with the requirements necessary. What might have occurred three years ago may not be relevant today and may not be needed. The Mental Health Commission is going through that process now to make sure that grants and services are the most effective to get the best results. We have had to increase the meth strategy and do other things because we know that at this point in time those areas need extra assistance. That is what we are doing and will continue to do as we have put extra money into the mental health court diversion programs because it works. That is where we have put the money. We will put extra money into the mental health strategy and we will make a difference.

STATE BUDGET 2016–17 — MENTAL HEALTH

311. Dr A.D. BUTI to the Minister for Mental Health:

I have a supplementary question. When will the Liberal–National government fund the much-promised 10-year mental health drug and alcohol services plan?

Ms A.R. MITCHELL replied:

The plan goes for 10 years. We will not put money into things that go for 10 years. As we have said already, there have been changes in how we do it. We are bringing things forward and we are changing them around because we will work the plan. That is what it is—it is a plan. We will work the plan to get the results needed at the time. That is what we are doing. Money will be allocated when we need it.

FAMILY AND DOMESTIC VIOLENCE

312. Mr F.A. ALBAN to the Minister for Child Protection:

Can the minister outline to the house the state government's recent work in supporting victims of domestic violence?

Ms A.R. MITCHELL replied:

I thank the member for the question and thank him for joining me in Ellenbrook this morning. I was delighted that we could open new crisis accommodation in Ellenbrook to support people in that area. It is disappointing that we need a crisis centre that women and children who need somewhere safe can go to get support. It is unfortunate, but it is a fact of life that it is required. It is not our preferred option but at this point in time, while we deal with the issues of family and domestic violence, we need crisis accommodation. This is an outstanding centre because it provides not only accommodation but also support services. We have a program called the Safe at Home program to work in conjunction with accommodation services. We can assist women and children in the centre and at the same time we can support people who may be at risk in the community. It is a comprehensive package, not just an accommodation service. It is a cluster model of accommodation comprising five fantastic units. It means we can cater for families of various sizes, and children of various ages or women without children. The member for Armadale raised in his speech last night that family and domestic violence comes under the Department for Child Protection and Family Support, so anyone suffering from family and domestic violence is supported by the Department for Child Protection and Family Support.

The police tell us that they have about 40 000 domestic violence dealings every year and 65 per cent of those involve children. It is a crisis in our society. Actually, it is a national disgrace. This government is making a firm commitment to tackle that.

Ms S.F. McGurk interjected.

The SPEAKER: Member for Fremantle!

Ms A.R. MITCHELL: This government continues to make a strong investment in human services.

Ms S.F. McGurk interjected.

The SPEAKER: Member for Fremantle, I call you to order for the first time.

Ms A.R. MITCHELL: I am very pleased to say that this government makes a firm and dedicated commitment to human services. We are making a difference, and we will continue to do that.

WAROONA, YARLOOP AND ESPERANCE BUSHFIRES —
PUBLIC SECTOR COMMISSION INQUIRY — REPORT

313. Ms M.M. QUIRK to the Premier:

I refer to the Public Sector Commission inquiry into the Yarloop, Waroona and Esperance fires by Euan Ferguson. Given that inquiry is now completed, when does the Premier anticipate tabling the report?

Mr C.J. BARNETT replied:

The report by Euan Ferguson into the Yarloop fire has been completed. It is in the hands of the Public Sector Commissioner—he has got a few processes to go through, in terms of people being informed, before it is publicly released. I would hope that it can be released, and I intend to do so, and I hope that is within the next two weeks or so.

WAROONA, YARLOOP AND ESPERANCE BUSHFIRES —
PUBLIC SECTOR COMMISSION INQUIRY — REPORT

314. Ms M.M. QUIRK to the Premier:

I ask a supplementary question. If the Premier intends to do that in the next two weeks or so, that is not going to be through Parliament—he will be releasing it in some other fashion?

Mr C.J. BARNETT replied:

That is yet to be determined, but it will be publicly released one way or the other.

GRANDCARERS — SUPPORT

315. Mr A. KRSTICEVIC to the Minister for Seniors and Volunteering:

I understand that the Liberal–National government will be continuing to support grandparents who are in the position of having to care for their grandchildren on a full-time basis. Can the minister update the house on this important initiative?

Mr A.J. SIMPSON replied:

I thank the member for Carine for his question and his interest in grandparents. As we know, this government is very supportive of grandparents who are in the unfortunate situation of being a full-time carer for their grandkids. At a time in life when a senior should be looking to hook up the caravan and start cruising around the world, for whatever reasons have happened in life they have now become the full-time carer for their grandkids and are, as we like to call them, grandcarers.

Several members interjected.

The SPEAKER: I want to hear about hooking up the caravan.

Mr A.J. SIMPSON: Thank you very much, Mr Speaker. As I was saying, at a time when grandparents or seniors should be hooking up their caravan and travelling around Australia, for whatever circumstances they have become a full-time carer of their grandchild. We like to call them grandcarers. This government is fully committed to the work that grandcarers do in our community, with a payment of \$400 for the first grandchild and \$250 for each additional grandchild. Western Australia is the only state in Australia that acknowledges that there are grandcarers in our community and the great work that they do right throughout the state.

I want to update the house on some fantastic figures that have come in to support grandparents. As of 18 May this year, as set out in the 2015–16 budget, over 931 payments, totalling \$514 600, have been made to 877 grandcarers. This includes 264 grandcarers who have registered for the first time and who between them are caring for 587 grandchildren. To date, over 1 423 individual grandcarers have been provided with \$1.403 million in payments for 2 659 children since the scheme came in in 2013.

This is a fantastic program. We acknowledge the great work that grandcarers do in our community. The government is very supportive of the work they do; and, more importantly, as I said when I started off, Western Australia is the only state in Australia that recognises that we have grandcarers in our community.

PERTH STADIUM — PEDESTRIAN BRIDGE — FABRICATION CONTRACT

316. Mr F.M. LOGAN to the Minister for Transport:

I refer to the recent media expose of the decision by the minister's government to send the fabrication of the steelwork for the Swan River stadium bridge contract to Malaysia.

- (1) Why has the minister refused to tell the truth about sending the steelwork overseas, after being asked eight times about this by the opposition in Parliament?
- (2) When was the decision made to send the fabricated steel contract offshore?
- (3) What is the difference in price between the Malaysian contract and the nearest local fabrication tender?
- (4) Why has the minister's government consistently failed to support local companies in government purchasing contracts?

Mr D.C. NALDER replied:

(1)–(4) I will not get into a debate about how many times, and I would struggle to remember eight. There were a lot of times when the question was asked and no contract was finalised, so there was not a response that we could make. But I will say that on the pedestrian bridge, there is a quantity of steel that will be fabricated offshore. If we look at the whole stadium —

Mr M. McGowan interjected.

The SPEAKER: Members!

Mr D.C. NALDER: I am going to come back to what the Leader of the Opposition is putting out in the media on this.

Several members interjected.

The SPEAKER: Members!

Mr D.C. NALDER: If we look at the steel that exists in the stadium precinct, we are talking about 14 000 tonnes of steel in that vicinity. I think that something like 90 per cent of it, if we take that whole precinct, is being fabricated in Australia. They are starting to isolate it down to a specific situation with regard to the pedestrian bridge. There are some elements of it that cannot be fabricated here. There is steel tubing that needs to be sourced overseas.

Mr F.M. Logan interjected.

The SPEAKER: Member for Cockburn!

Mr D.C. NALDER: We are talking about —

Several members interjected.

The SPEAKER: Leader of the Opposition, member for Willagee and member for Cockburn, let the minister answer.

Mr D.C. NALDER: We are talking about a quantity of steel that will come from Malaysia. Ninety per cent —

Mr P. Papalia interjected.

The SPEAKER: Member for Warnbro, I call you to order for the first time.

Mr D.C. NALDER: Ninety per cent of that precinct is being made in Australia. I cast people's memory back to the floating dock that was going to be made in—was it Vietnam?

A government member: Vietnam.

Mr D.C. NALDER: It was to be made up in Vietnam, under the previous Labor government. So, is it not a little hypocritical that members opposite turn around, when 60 per cent of the steel in that project was going to be fabricated overseas? This is where the hypocrisy sits.

Now we turn to the Leader of the Opposition. He said that if he became Premier, he would ensure that this does not happen; it will happen here in Australia. We have \$2 billion worth of trade with Malaysia. The building of this pedestrian bridge is being funded by the royalties from the iron ore that we are selling into Asian countries, and we are purchasing a little bit of steel back. The second largest industry in Western Australia is the agricultural industry, and 80 per cent of the produce —

Mr J.R. Quigley interjected.

The SPEAKER: Member for Butler, I call you to order for the first time.

Mr P. Papalia interjected.

The SPEAKER: Member for Warnbro!

Mr D.C. NALDER: Eighty per cent of everything we produce in the agriculture sector is exported. It is comments like the Leader of the Opposition makes —

Mr F.M. Logan interjected.

The SPEAKER: Member for Cockburn, I call you to order for the first time.

Mr F.M. Logan interjected.

The SPEAKER: Okay; I call you to order for the second time.

Mr D.C. NALDER: It is comments like the Leader of the Opposition makes—who wants to be a future Premier but does not understand the importance of our relations with overseas countries —

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park!

Mr D.C. NALDER: He wants to be a future Premier, and he threatens bilateral trade with countries that we deal with. It is a disgrace. Ninety per cent of —

Several members interjected.

The SPEAKER: Member for Warnbro, member for Victoria Park, member for West Swan and member for Swan Hills!

Mr D.C. NALDER: Our relationships with Indonesia, Vietnam and Malaysia are extremely important.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park, I call you to order for the third time.

Mr D.C. NALDER: Local jobs are important—local jobs are extremely important. Ninety per cent of the steel in that stadium, as I keep reiterating, is being fabricated in Australia. We see jobs as extremely important. That is why infrastructure projects such as Gateway saw over \$500 million go out to over 600 small businesses in the Perth metropolitan area. That is why we talk about infrastructure, and that is why we are talking about developing real jobs —

Mr F.M. Logan interjected.

The SPEAKER: Member for Cockburn!

Mr D.C. NALDER: — not a plan that is full of motherhood statements and does not deliver anything for Western Australia. We are very proud of the record of what we are delivering in infrastructure across Western Australia for Western Australians.

PERTH STADIUM — PEDESTRIAN BRIDGE — FABRICATION CONTRACT

317. **Mr F.M. LOGAN to the Minister for Transport:**

I ask a supplementary question. In the interests of transparency and truthfulness to this house, can the minister now explain —

A member interjected.

The SPEAKER: I do not know who made that statement. I do not want to hear from that side. I want quiet.

Mr F.M. LOGAN: In the interests of transparency and truth, on this project—the bridge—will the minister now explain to the house how much work Western Australian companies are getting in terms of fabrication?

Mr P.T. Miles interjected.

The SPEAKER: Member for Wanneroo, I have just asked for people to be heard in silence. I call you to order for the first time.

Mr F.M. LOGAN: Will the minister now explain to the house how much Western Australian fabricators are going to get from the contract for this bridge—how much?

Mr D.C. NALDER replied:

I just said —

Mr F.M. Logan interjected.

The SPEAKER: Member for Cockburn!

Mr D.C. NALDER: I just said that looking at the whole stadium precinct, it is around 90 per cent.

Several members interjected.

The SPEAKER: I heard the question to be what percentage of work on the bridge will stay in Western Australia.

Mr D.C. NALDER: As I said, there is a contract that was not finalised at the time that the previous questions were asked. I said in answer to the first question that the fabrication for the bridge is going to Malaysia.

VETERANS EMPLOYMENT TRANSITION SCHEME

318. Mr J. NORBERGER to the Minister for Veterans:

Our veterans and Australian Defence Force personnel contribute much to the way of life that we enjoy today. Can the minister advise what the government is doing —

Mr D.J. Kelly interjected.

The SPEAKER: Member for Bassendean, I call you to order for the first time.

Mr J. NORBERGER: Can the minister advise what the government is doing to assist ex-ADF personnel who are transitioning out of the military?

Mr J.M. FRANCIS replied:

I thank the member for Joondalup for the question. I point out that after we announced on 15 April the veterans employment transition scheme support, VETS, to attract high-calibre, skilled veterans into the public sector, it was supported by not only the Chamber of Commerce and Industry of Western Australia, but also the members for Willagee and Albany, whom I acknowledge for turning up to the launch to throw their support behind something that should be politically bipartisan. It was a good event, a good discussion and a good day. It is important that we acknowledge that there is a number of very skilled and very talented members of the Australian Defence Force who, when they leave the defence force, would make significantly capable public servants in Western Australia. We should be trying to have a public service that provides the best possible level of skill to serve the government of the day. ADF personnel gain a lot of talent in their service to the Australian Defence Force that is not always easily recognisable by both private sector and public sector employers.

We have worked with the Public Sector Commission and come up with the VETS program to try to break down some of the barriers and level the playing field for former members of the ADF who are trying to make that transition. It is not about giving them greater advantage than someone else; rather, it is about trying to level the playing field. We are doing a number of different initiatives, including one on the Jobs WA website that will help to break down some of the language barriers for veterans who probably have been ostracised from some of the public sector state-level speak for some time and help them make that transition and be able to compete for jobs in the public sector. We are also establishing a mentoring network. We have identified a number of skilled and experienced state public servants who started in the ADF and who have made that transition. We will be able to provide information to, as I said, help break down some of the language barriers and help some of the more confused human resources managers. The other day I heard that someone asked whether a cavalry officer still rides horses. We need to make it easy to get some of the high-calibre individuals from the ADF into our public sector.

Lastly, it is also a challenge to the private sector. We are saying that the state government is doing its bit to try to help ADF personnel get good jobs in the public sector, which will benefit everyone in Western Australia. Our challenge is to ask the private sector what it is doing and say that it needs to do its part as well. It is a great initiative and I thank everyone for their support.

TAFE — TRAINING DEMAND

319. Mr F.M. LOGAN to the Minister for Training and Workforce Development:

I refer to the \$21 million that the government has cut from the TAFE colleges in this year's budget, which cites an expected softening in demand for training delivery even though the budget also predicts the unemployment rate to increase to 6.75 per cent.

- (1) How does the government expect demand for training to decrease when more people are becoming unemployed?
- (2) At a time when people are desperate for work, why would the minister deny them the opportunity to upskill?

Mrs L.M. HARVEY replied:

- (1)–(2) I thank the member for Cockburn for the question. As the member for Cockburn would have heard me say in this chamber a number of times, I have been looking at TAFE sector reform, specifically with a view to try to drive down costs in the sector and get more efficiency through the sector. I have also articulated previously that training demand will often follow the ebb and flow of the economic cycle. For example—we spoke about apprenticeships and traineeships last week—when businesses experience

a slowdown in activity, they are less inclined to take on apprenticeships and traineeships. As a result, we expect that there will be lessened demand for the delivery of some of those student curriculum hours in TAFE colleges. That is why we have anticipated that there might be a decline in demand. We have spoken about it at great length.

Member for Cockburn, while I am on my feet talking about proposed cuts to the TAFE sector, I will address some of the comments that have been made publicly about this issue. The Leader of the Opposition made the assertion that we have cut \$53 million from the training sector. But when we look at what that \$53 million is—it was very clearly articulated in the budget papers; it is no wonder he was a hopeless Minister for Education—we see that it is because the national partnership agreement that we are negotiating with the commonwealth has not been finalised. The \$53 million drops off after 2017-18 because we do not know the amount of the new national partnership agreement, neither does any other state. We are not going to put a figure in the budget if we cannot articulate it. It was outlined clearly in the budget papers. I am very dubious about any claim that the member for Cockburn and the Leader of the Opposition make about cuts to TAFE, because they do not read the budget papers and they do not inform themselves appropriately.

TAFE — TRAINING DEMAND

320. Mr F.M. LOGAN to the Minister for Training and Workforce Development:

I have a supplementary question. Does the minister guarantee that these cuts will not impact on more jobs in TAFE in either teaching or administration?

Mrs L.M. HARVEY replied:

I do not know that the member for Cockburn really understands exactly what is happening in the sector. In 2014, our colleges delivered nearly 17 825 000 student curriculum hours. In 2015, they delivered 21 918 000 student curriculum hours. We are delivering more training, member for Cockburn. The whole reason for amalgamating TAFE colleges is to get money out of admin and put it into training. That is a bold decision that we are prepared to make. The member cannot even read the budget papers!

FREMANTLE PORT ASSETS (DISPOSAL) BILL 2016

Appropriations

Message from the Governor received and read recommending appropriations for the bill.

Mr A.J. Simpson interjected.

The SPEAKER: Minister for Local Government, I call you to order for the first time. I cannot hear myself think.

PERTH STADIUM — PEDESTRIAN BRIDGE — FABRICATION CONTRACT

Question without Notice 316 — Correction of Answer

MR D.C. NALDER (Alfred Cove — Minister for Transport) [2.48 pm]: I would like to make a correction to an earlier question in which I talked about the percentage relating to the pedestrian bridge. I got confused about the origin of steel versus the fabrication. Thirty per cent of the pedestrian bridge is fabricated here in Perth. But I reiterate that there are 24 670 tonnes total in the precinct. Not only does the majority of the steel, over 90 per cent, originate in Australia, but also it is fabricated in Australia. Just on the pedestrian bridge, 70 per cent is fabricated overseas, but 30 per cent is fabricated here.

APPROPRIATION (RECURRENT 2016–17) BILL 2016

APPROPRIATION (CAPITAL 2016–17) BILL 2016

Second Reading — Cognate Debate

Resumed from an earlier stage of the sitting.

MR R.F. JOHNSON (Hillarys) [2.49 pm]: Mr Speaker, I want to clarify a couple of things that I said before question time in relation to what I believe was dodgy funding of election campaigns —

The SPEAKER: Can you speak up please?

Mr R.F. JOHNSON: I am doing my best, Mr Speaker. I have a bit of a sore throat, I am afraid. I will certainly try to speak up.

I think that the unauthorised funding of various campaigns in 2013 has been acknowledged by the president of the executive committee and the people who control the Moore division because a meeting of the executive committee has been called, which is the very first one I can think of for quite a few years. It will take place tomorrow night. The only item on the agenda is the approval of funding for the campaign for the federal seat of Moore. They know that what they did in the past was wrong, because it was completely unauthorised, and they are now trying to make amends by doing it legally and properly and following the Liberal Party constitution—which they had not done in the past.

I want to move on to some other areas. I am very, very keen to talk about road safety, which is very close to my heart. We now have a person classified as —

The SPEAKER: Right! There is a meeting and people are talking and I cannot hear the member for Hillarys. If members want to talk, please go outside.

Mr R.F. JOHNSON: Thank you, Mr Speaker. As I was saying, we have a person appointed by the minister—it was a thought bubble—with the title Road Safety Commissioner. First let me say that I think he is a very good person. I know that because I know him from the old days when he was a police officer. He is a very good person. He is the brother of the member for Warnbro. I have nothing but respect for him. The problem we have now is that he has no legal standing. He was not appointed by legislation—the minister knows that. He was not appointed under the *Government Gazette*; his position is just a thought bubble.

Mr J.M. Francis: That's not fair!

Mr R.F. JOHNSON: The minister's commissioner has been gazetted. He is quite legal. He has been recognised. The trouble is that the Road Safety Commissioner has not. The commissioner is doing the job because he is basically an extra staff member to the minister. He is not there —

Mrs L.M. Harvey interjected.

Mr R.F. JOHNSON: Oh, be quiet for goodness' sake. You are like a fishwife.

The SPEAKER: Member for Scarborough, I call you to order for the first time.

Withdrawal of Remark

Mrs G.J. GODFREY: I take exception to what the member for Hillarys said. It is unparliamentary under standing order 42.

Mr R.F. JOHNSON: I withdraw, Mr Speaker.

The SPEAKER: Thank you. I never heard it.

Mr R.F. JOHNSON: I did. I used an unparliamentary term, which is very unusual for me.

The SPEAKER: I have to call you to order, member for Hillarys—sorry about that.

Mr R.F. JOHNSON: Certainly—be my guest.

The SPEAKER: I call you to order for the first time.

Debate Resumed

Mr R.F. JOHNSON: I was saying that the minister has abolished the Road Safety Council.

Mrs L.M. Harvey interjected.

Mr R.F. JOHNSON: Do I have to put up with these interjections all the time?

The SPEAKER: I never heard what was said. We have moved on now and I want to hear the member for Hillarys. He has limited time; let us just get on with it.

Mr R.F. JOHNSON: The Road Safety Council created under the Road Safety Act basically has been abolished —

Mrs L.M. Harvey interjected.

Mr R.F. JOHNSON: Be quiet, for goodness' sake.

Under legislation the council has always had an independent chairman. There is no longer an independent chairman or any legal oversight of what is being spent from the road trauma trust account or in the office of road safety, which is now called the Road Safety Commission. There is no such office under legislation. There is nobody keeping an eye on what is going on. In the past, expenditure from the road trauma trust account was always on recommendation from the Road Safety Council. Very often it was ignored completely, particularly by the Premier, who would not have point-to-point cameras or allow me to spend money on roads in country areas where there had been crashes. He said that he did not care.

Let me go on because I have limited time. I believe that the minister has misled the house and misled the public. Looking at the article she gave as an exclusive to *The Sunday Times*, headed, "\$145 million to tackle toll", she does not say how much of that \$145 million will go into administration and that sort of thing. How much funding has been cost-shifted? It is millions and millions of dollars. If members look carefully—I will go through this very carefully—she said that \$20 million will be spent on metropolitan intersections. She said that in her statement and she said that in this house. It is what the Treasurer said as well, but it is not true. If members look at budget paper No 2, line item "Improving Safety at Metropolitan Intersections" has an allocation of \$10 million. That is \$10 million in the budget. The minister said that it would be \$20 million. Where has that

other \$10 million gone? She also said that there had been no cost-shifting. Safer roads and bridges never came out of the road trauma trust account. For years it was a Main Roads Western Australia line item in the budget. Now, they have cost-shifted it so that the road trauma trust account pays for black spot program funding, which was never done in the past. That funding is for Main Roads to make good the mistakes that it made in the first place.

The bloke sitting next to the minister, the Premier, would not let me spend any money in country areas. He refused to let me spend money to try to save lives in country areas.

Mr C.J. Barnett interjected.

Mr R.F. JOHNSON: My chief of staff is a witness to that. We nearly came to blows over it. The Premier would not approve point-to-point cameras or anything of that nature. He would not approve an extra booze bus and extra police officers to operate it. He was totally opposed to all that. That is what he was. I have always said that there is blood on his hands, quite frankly. It is totally wrong.

Mr C.J. Barnett: Somewhat the opposite.

Mr R.F. JOHNSON: The Premier knows what the truth is, but it seems to be a stranger to him these days, it really does. It is time the Premier went. I said it three years ago, the Premier should go.

Until last year, the safer roads and bridges program was a line item under the Commissioner of Main Roads and tens of millions of dollars was allocated there to make good on roads. That has now been cost-shifted to the road trauma trust account. Unfortunately, journalists never have enough time to really delve into the budget process to see where cost-shifting has taken place and the funding that is not appropriate to come out of this area. It is like a cash cow.

I want to try to get as much done as I can here, because I only have four minutes. I refer to the *Police News*. What I have been saying, what the president of the WA Police Union has been saying—he said it in one of the latest editions of *Police News*—what the RAC has been saying, and what anyone else who cares about road safety has been saying is that the biggest deterrent to people hooning, speeding, drink-driving and all the rest is more cops on the road. But what has the minister done? Nothing—absolutely nothing at all! If members look at the last edition of *Police News*, the union president is quoted saying quite clearly that that is what is needed. He even mentions in the article my having promoted this many, many times. But the minister has done nothing about it whatsoever. God knows why she does not do anything about it. They talk about the meth money. Why did the Treasurer put five-point-something million dollars from consolidated revenue into the road trauma trust account and allow the police to access the funds for more drug testing? The money is there in the road trauma trust account. They must have got their figures mixed up or something. I ask and hope that the Auditor General will look very, very closely at the funding this minister is, in my view, squandering, and the cost-shifting in relation to the road trauma trust account. I ask the Auditor General to do that. Somebody has to do it. Either the Auditor General or the member for Girrawheen's committee needs to scrutinise the road trauma trust account because there is nobody in there now and there is no Road Safety Council that meets and has an independent chairman.

Mrs L.M. Harvey: They met a couple of weeks ago.

Mr R.F. JOHNSON: With an independent chairman? There is no independent chairman; she let him go and would not replace him. She has now replaced the chairman with a Road Safety Commissioner who has no standing and no legal or legislative backing whatsoever. That is who she has replaced him with—it is a con job. She has misled the public and she has misled the Parliament about funds in the road trauma trust account. Please, please: I beg journalists to have a good look at what has been going on here, because it is a scandal; it is a scam. The government is scamming money from one budget to another—it is taking funding out of the cash cow. I have said—even to the Premier, when I introduced the bill—to make sure that 100 per cent of funding from speed and red-light cameras going into the road trauma trust account would end. Everybody is saying that it is just a cash cow and for revenue raising. It is not anymore. It has become revenue raising again, and this government minister should be ashamed of herself. There are people dying on our roads and we have a horrific road toll so far this year, and she has to take some responsibility for that; so does the Premier, sitting next to her.

He is rubbing his hands in anxiety because he knows that what I am saying is true.

Mrs L.M. Harvey: No, he's not. Tell the truth.

Mr R.F. JOHNSON: You know what I am saying. Where is the independent chairman of the Road Safety Council?

The SPEAKER: Thank you, members!

Mr C.J. Barnett: You are so irrelevant.

Mr R.F. JOHNSON: Irrelevant! You are irrelevant now. I think you are irrelevant, Premier, and it is time you went—it really is. Just be graceful and do it honourably. Just walk out of that door and go into the sunset because you are no good to this state anymore at all.

MS R. SAFFIOTI (West Swan) [3.00 pm]: That is quite an act to follow! My speech will be quite mellow. I rise to make my speech on the budget on the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016. Walking around this place and seeing members of the WA Liberal Party is like watching a scene from the *Living Dead*. We have a bunch of zombies walking around and thinking, “Is that really happening? Did we really increase land tax three years in a row? Did we really increase net debt to \$30 billion? Did we really deliver a deficit of \$3.9 billion?” This is like the awakening of a bunch of zombies who are now realising exactly what they have done. Land tax is a particular case in point. We have seen massive increases in land tax that have all been supported by the Liberal–National Party. Members opposite clap the budgets and now they are saying, “Geez, it’s really hurting out there.” We just heard the Minister for Training and Workforce Development say that training is cut during times of high unemployment because there is less demand. That is this government’s economic policy—actually, I do not think that is right. We should train people to get into jobs, particularly when thousands of people become unemployed. That is the type of economic policy and economic randomness we get from this government. As I said, this is the *Land of the Living Dead*. The zombies are awakening: “Oh, my goodness; we increased land tax three years in a row! Oh, my goodness; debt is really high!” The thing is that none of them claim responsibility. They all walk around in the corridors bumping into each other saying, “Was it you who increased land tax? Was it you who increased debt? How did this happen? How did we get to this?”

Now they are all at sea. They have no economic vision and no pathway in respect of financial management. The numbers speak for themselves. For three years, we have had falling state final demand, and business investment has plummeted. What vision do we have from this government? What is its plan? There is no plan. It just rode the economic boom and built a couple of projects like Elizabeth Quay and said that they would be the future employment generators—and that is it. This government did a whole reshuffle and forgot innovation. A new ministry had to be sworn in the other day because innovation had to be tacked onto the portfolio of the Minister for Finance. This government is all over the place, and so are the finances. Our net debt is \$30 billion and we have a deficit of \$3.9 billion. One of the most worrying signs is the cash operating balance, which is hidden in appendix 1 of the general government cash flow. However, it shows a negative \$2.4 billion—that is, a cash operating deficit in the cash flow statement of \$2.4 billion after a \$1.2 billion deficit in 2015–16 and a deficit forecast for \$626 million in 2017–18. This cash operating deficit is borrowing for recurrent items. This is the line that shows us that the Liberal and National Parties are borrowing to fund everyday spending. As I have said, it is like borrowing to put milk in the fridge. Yesterday, the other side dared to try to give this side an economic lecture. They have driven the WA economy off the cliff with no plan for the future and they have ruined the state’s finances. It will take terms of government to correct it.

What is their solution? They have no solution. They tried this privatisation angle, which was put by the Leader of the Opposition today. The Treasurer’s budget speech said that they will have a privatisation plan after the election, but they will allocate the funds now. We knew what you guys were up to. We knew you had this plan to sell Western Power and then try to fund the infrastructure and create a purpose, because you have none—but then it all fell apart. This government has no credibility on public transport, so making that a major feature was not going to work, and then it realised that the National Party was not quite with it on the plan. Therefore, the whole plan fell apart. It then pulled together these couple of paragraphs in the budget speech that sort of say that the government has to sell Western Power, but it will have a plan and make a decision after the next election and it will allocate those funds now. I have never seen anything like this in which these words are put into a budget speech but they do not reflect the budget papers.

I am afraid that the state Parliament is seeing yet another draft budget because the Minister for Training and Workforce Development just said that those cuts were not really cuts because they are still subject to negotiation. Does that mean that those trading numbers are invalid before the budget is actually passed in this place? Time and again, the budget has been brought down in this place, but things have changed dramatically and by the time it has passed through Parliament, the numbers have changed. This is all because this government has never taken this state’s finances seriously.

We have again today seen a performance piece by the Treasurer on Western Power. His annual report shows a tax equivalent, and now he is saying there is no tax equivalent. Are his annual reports incorrect or is he, again, just trying to speak half-truths in this place? He always does that. He tries to be smarter than anybody else, but he is not. This Treasurer is overseeing this worst set of finances in this state. He makes it up as he goes along. He tells a few jokes to a business audience, he gets up his confidence and then thinks that that can hold for the rest of the year, but it does not. We have seen it happen time and again. Now we have this bizarre situation in which the Premier is obviously not keen to be around. He is not a happy person, and I fear that today is one of his worst days I have seen in this place. Occasionally we know that he is at that point where he is just so angry with the world, and then we have the people around him.

Mr B.S. Wyatt: Stunned!

Ms R. SAFFIOTI: They are continually stunned by his performance. This is funny because I thought that when the zombies woke up, they actually realised that the master was not as good as he thought he was. Maybe they are getting to that point or maybe they are waiting for their factional powerbroker from over east Mathias to give them the call. We know that he likes the Minister for Transport. We know that he does not like the Treasurer. That is what is happening. We are now witnessing the factional battles of the Liberal Party. Some of the allegations made by the member for Hillarys were completely incredible, shocking and breathtaking. I am sure that if a former Labor Party member made accusations regarding unions, it would be on the front page of the paper.

Mr B.S. Wyatt: The front page of *The Australian*.

Ms R. SAFFIOTI: It would be on the front page of *The Australian*. We will see how this goes because some of those allegations were absolutely breathtaking in how significant and serious they were.

But let us go through the budget. I will start with the transport portfolio because, yet again, it has been seven and a half years and we still do not have a public transport plan. Remember the government's commitment in its first 100 days?

Mr M.H. Taylor interjected.

Ms R. SAFFIOTI: The member for Bateman is one of my favourites now, because I know that we might not be seeing him for much longer.

Still, after seven and a half years, there is no public transport plan. Remember, one of the government's key commitments in its first 100 days was a public transport plan. Now, there is still no public transport plan. Instead, we see a few little commitments here and there. One of my favourites is that the Metro Area Express light rail project still appears in the forward estimates. Over \$400 million has been allocated in the forward estimates for MAX light rail. Remember last week, the Minister for Transport, who has \$400 million in his budget for MAX light rail, said that it was unsafe. He was worried about little Johnny getting smashed by a tram on Fitzgerald Street. Now, little Johnny does not seem to be a priority anymore. He is not worrying about little Johnny anymore, because there is \$400 million for MAX light rail in the budget. However, the Treasurer is saying that it is not going to happen; we are not going to build MAX unless the private sector totally funds it. Again, the budget makes no sense. Last week, the Minister for Transport said that the roads are too narrow, even though a tram lane, as I understand, is narrower than a vehicle lane. Anyway, he was saying that the roads are too narrow, and he was worried about little Johnny's health.

Mr P. Papalia: He is not going to be hit by a car, but he can be hit by a tram.

Ms R. SAFFIOTI: Obviously, being hit by a bus is much better.

He went on to say that he was too worried about Johnny and that MAX was no longer a priority, but then MAX appeared in the forward estimates.

Let us look at my favourite, the new bus lane to Ellenbrook.

Mr B.S. Wyatt: Where is Frankie?

Ms R. SAFFIOTI: Where is Frank, because I have another piece of election material that I thought I would bring out on this occasion. In the year before every election, there is a little bit of activity in Ellenbrook. The government completely ignores public transport for all the preceding years. It says that we do not need public transport. I think the member for Swan Hills said that the buses were all empty; we do not need public transport because no-one was catching the bus. Then we had the Minister for Transport saying that everyone uses their cars, so we do not need better public transport up there. The government spends three years saying that we do not need public transport and then, normally, about a year before the election, there is a bit of activity. I drive along the road and see surveyors there, and I think, "The Liberal Party's up to it again; it's going to be making an election announcement." Then, there was one. Let us go through it. Remember, in 2008, this was the flyer—the Liberals will build that rail line to Ellenbrook. There is a picture of the rail line, and it was sent to every household.

Mrs M.H. Roberts: Where is the member for Swan Hills? You'd think he'd want to hear this.

Ms R. SAFFIOTI: Yes, you would think so.

Then, I was doing a bit of research on the bus rapid transit concept a couple of weeks ago. It is amazing what we keep in our inboxes, because I got his flyer from 2012—the letter that he sent to everyone in Ellenbrook. This time it was about the BRT. Remember, this was sent to everyone in Ellenbrook in 2012. He is talking about all the things that he has achieved. The letter states that the bus rapid transit, the dedicated bus lane between Ellenbrook and Bassendean station, is underway. That is what was stated in 2012. Before 2008, a flyer was sent around about the proposed rail line, and then the member for Swan Hills wrote to everyone in 2012 saying that

the BRT is underway. Of course, it never happened. Remember, the government pulled it, so it was never built. Let us go through the history of this. We had the rail line committed to, then we had a \$110 million BRT, which was going to be a bus rapid transit between Ellenbrook and Bassendean train station, and then we went to a nine-kilometre bus lane. It actually reminds me of one of the *Get Smart* episodes that members may remember, in which the Smart character says, “Would you believe this? Would you believe that? How about a nine-kilometre bus lane?” That is where we are at—a nine-kilometre bus lane.

I heard the Minister for Transport stating that I had neglected the Lord Street implications. First of all, no-one understands what they are, but I do not think Lord Street is a dual carriageway. The other thing is that the project is costed at \$49 million. I am no engineer, but \$49 million seems like pretty good value for building a bus lane, three new bus stations and three underpasses. I do not know what those bus stations will entail, but I think it is not going to be very impressive, because \$49 million to build three dedicated bus stations, 400 car parking spaces, the bus lane and a new Lord Street seems to me to be either extremely good value for money or not very good infrastructure.

The member for Southern River is not here. Over the past couple of weeks the member for Southern River has been engaging in a lot of activity.

Mr B.S. Wyatt: Frenetic activity.

Ms R. SAFFIOTI: Frenetic activity about the Thornlie–Cockburn connection. He has been making it a priority for eight years, but for eight budgets it has never, ever appeared. All that frenetic activity has meant nothing. I thought that, in the last budget, the Liberal Party would think enough of the member for Southern River to fund that rail extension; surely it would do that. Why let him go out and engage in all this frenetic activity, saying how much he worked for this rail line, and how much he was doing, when it does not appear in the budget papers? There is no funding in the next four years.

Of course we can go through it all. We have talked about Ellenbrook, and we have Yanchep. Remember, that was meant to be a priority in the 2011 draft plan. The government has absolutely no plan for public transport. The fact that there is no plan means that the government is making completely ad hoc decisions that do not make a lot of sense, when we step back. The Ellenbrook bus lane finishes on Marshall Road in my electorate, and then it joins into Reid Highway. Then, the plan is to send it west to Midland and then east to Bassendean station, and potentially to Morley. The bus lane finishes, and then Reid Highway continues as a single lane, which is already significantly congested, and we are going to send more buses down that road where the congestion will get a lot worse because the government has failed to finish the duplication of Reid Highway. With no plan, all the government is doing is making ad hoc decision after ad hoc decision and continues to move, rather than fix congestion.

[Member’s time extended.]

Ms R. SAFFIOTI: The government continues to move congestion rather than fix it.

I will go through some other key points, beginning with the road program. Wherever I go throughout the suburbs—and throughout the regions, but particularly throughout the suburbs—road congestion continues to be a major problem. Today, I was out looking at some overpasses that need to be built. Because of its unhealthy obsession with the Perth Freight Link, this government has poured \$2 billion into a project that nobody wants, and now it is unable to fix the congestion in the suburbs. Take the Armadale Road example. The government has committed to the duplication of Armadale Road that ends at an already significant congestion point. Without fixing that bridge, the government is just moving congestion rather than fixing it.

Dr A.D. Buti: Congestion to nowhere.

Ms R. SAFFIOTI: Yes—another road to nowhere. This is because the government has no plans of its own. It just follows what Mathias Cormann does. I know that the Premier does not want stage 2 of the Perth Freight Link project but now, to be frank about it, he is not in a position to reject it. I believe that he wants Roe 8, although I believe nobody has actually sat down with him to explain that Roe 8 does not make sense. Traffic can turn left and go down to Kwinana, but it has to go through 17 sets of traffic lights, and the road is very costly to fix. Technically it is possible, but it is not what heavy trucks want to do. Alternatively, we are going to have to spend \$2 billion to get it up to scratch. I think he is still not quite across it, but I know he still committed to Roe 8. I know he does not want the tunnel, but he is now powerless. He has Mathias Cormann running a road agenda in WA. Think about that, guys. They talk about faceless men. This man is a federal minister, but apart from smoking a cigar occasionally, this man is running the road agenda, overriding the whole state party. The government is now creating congestion spots in all its areas, congestion that cannot be fixed because it has brought \$2 billion into this unhealthy obsession. I think some government members have woken up from their zombie status, and they should be questioning this. They should be questioning why \$2 billion is being spent in one area when my area continues to have overpasses that need to be built and roads that need to be improved. They just accept it. Maybe they are slowly waking up, but I am not getting the sense that they have woken up in any urgency.

Mr J.H.D. Day: Reid Highway overpasses—have you noticed any of those over the last few years?

Ms R. SAFFIOTI: Did the government finish the duplication? Reid Highway has a single lane. Does the minister think Reid Highway should stay as a single lane? Does the minister know what? If that is not changed, all the government does is just move congestion. The government has to have a whole plan and that is what it does not do. It continually goes around bit by bit, but it does not actually have a plan to fix congestion.

Mr J.H.D. Day: NorthLink to remove traffic from the Great Northern Highway through the Swan Valley? Was that not a good idea?

Ms R. SAFFIOTI: That was Anthony Albanese's idea. It was totally "Albo". I remember I was in the Public Accounts Committee and I was talking to state government representatives and at the same time I knew that the City of Swan was lobbying the federal Labor government. The bureaucrats said that they did not really have any plans and that things were very preliminary. To tell the truth, federal Labor funded that project well in advance of it being ready to be funded. Where is that letter?

J.H.D. Day interjected.

Ms R. SAFFIOTI: I will tell the minister why: because the government was not ready. I know this. Listen to this; I will read from a letter about the Perth–Darwin highway. It states —

Planning and design is now well underway —

This is 2012 —

with construction expected to commence in 2014.

That is from a letter that the member for Swan Hills sent. The government was not ready, because it was not pushing the project. It was pushed by the City of Swan—I know this—and the federal Labor Party. It gave a commitment very early on and the state government has been playing catch-up. That is what is happening, so do not pretend. I am amazed when I see these photos of these road openings, honestly, with all these people, none of whom had anything to do with project. They had nothing to do with the project. I sometimes look at photos of people at these ribbon cuttings and think, "Hang on, you were not even a minister. You would not even know what the project was. You had no role." This is a project driven by federal Labor. Charlie Zannino said that in a public forum and that is why the Liberal Party chased him out of office. That is what the Liberal Party did, because it has a glass jaw. Unless a person is with the Liberal Party absolutely, it goes after them; that is what it does. The Treasurer is the worst. He cannot handle any criticism. He tries to annihilate anyone who gives him criticism. I have never seen anything quite like it. He takes all criticism personally, even if it is not personal criticism, but criticism of a policy. He has a glass jaw. When I worked in government, there were front-page headlines in newspapers and people chasing us down for increases in taxes every day. Every day we were attacked, normally by the Liberal Party and its friends, about stamp duty increases. Stamp duty increases happened at a time of increasing economic activity, as opposed to the land tax increases happening in a declining economy in which commercial vacancies are high and the economy is collapsing. The Liberal Party and its friends chased us down every day. Here, one person criticises the Treasurer. He misled yesterday trying to say that the property developer mentioned does not donate to the Liberal Party. I mean, give me a break. Go and check the facts. He tried to say yesterday that the Liberal Party was not receiving donations from that property developer. I mean, honestly.

He let all of his colleagues—I will maybe touch on this a bit later—tell the public that aggregation would be fixed in this budget. I understand the arguments for and against aggregation. It is a complex policy issue. I can understand some of the elements of unfairness, and I can understand that to remove it would be a significant cost. The shadow Treasurer and I have had many discussions about aggregation, would members believe. We wondered about all these backbenchers, all the Liberal Party members, out there telling all their constituents that aggregation would be abolished. Is that possible? We said, "No way."

Mr J.H.D. Day interjected.

Ms R. SAFFIOTI: How does the minister know? Honestly, the minister may be a decent person, but seriously he is out of the picture. He has been given Health, let us face it. He is just there to carry government over and to try to not make too many problems in Health. That is what he is there for.

Dr A.D. Buti: A safe pair of hands.

Ms R. SAFFIOTI: He is a safe pair of hands, although after looking at the plumbing issues at Elizabeth Quay, I do not think he is that safe at all. No-one cares about the henchman. We should buy the minister an Austin Powers T-shirt saying, "No-one ever cares about the henchman." The Treasurer has such a glass jaw that when he gets criticised for increasing land tax for three years in a row, he somehow creates World War Three with someone who, honestly, has not had many battles with the Liberal Party. If this is a man who can alienate someone like that property developer, what is he doing with the rest of the community? We know what he is doing with the rest of the community. The community does not find him very believable when he is on TV.

Again, he admitted yesterday about this privatisation that the government put it in the budget to give it a legitimacy to advertise. That is all the government is doing. It is going to try to run an ad campaign. Do members know what? People are pretty smart about privatisation. They know that privatisation normally equals increases in costs, increases in prices and cuts to jobs, because the profits have to go somewhere. There is this whole idea that privatisation is this panacea of all financial ills. The reality is that government does not have to make significant hurdles to rates of return on its assets, but the private sector does. When the government privatises, all it does is lose control of the asset. It could be sold anywhere to anyone. All it means is increased prices. The member for Victoria Park is sneezing; luckily the Minister for Health is here!

The current Minister for Health I understand is now the minister partly responsible for part of Elizabeth Quay, that being the Chevron building—the most complicated administrative portfolio arrangement I have ever seen. I am just going to end with Elizabeth Quay. There were government members on 29 January with big scissors. This was going to be their 2016 momentum. This was going to be their big one. The government did everything. It spent millions—Zumba classes, free hula hoop classes, some yoga classes; it spent big. The government made it the most political opening I have ever seen. There were selfies. I went through the Facebook page and nearly every Liberal Party member was there with a selfie at Elizabeth Quay. But the government did not do the basics right. It spent all its time on propaganda and it could not even get the plumbing right. The government spent the whole time hula hoop dancing, with pop-up jugglers, free face painting—everything, you name it. There was a cuddly farm for children. I cannot go through how many things were there. There were laser lights. There was everything.

An opposition member: Merry-go-rounds.

Ms R. SAFFIOTI: Yes, there were merry-go-rounds. The government relocated everything from another part of town to Elizabeth Quay and said, “Look at all those people coming.” If everything is relocated from Northbridge and put there, that is where people will go to see the Fringe World Festival. Elizabeth Quay did not create the festival; the government just put everything there. It spent millions on that development and now look at it. Land sales have pretty much evaporated. It is costing us millions. The government could not get the plumbing right and we have a water park that injured children. Out of everything that is symptomatic of where the government has landed, that project is it. The government is all puff and spin but it cannot even get the basic parts like plumbing right.

MS L. METTAM (Vasse) [3.30 pm]: Thanks to the Liberal–National government, there has never been a better time to live in regional Western Australia and no better time to live in the Vasse electorate. This is because the Liberal–National government, unlike the Labor Party, cares about improving the lives of all Western Australians, whether they live in the city or in the country.

Dr A.D. Buti interjected.

The ACTING SPEAKER: Member for Armadale, thank you. We have got the point.

Ms L. METTAM: Regional Western Australia has been transformed by the Liberal–National government. Successive budgets under the Liberal–National government have seen the largest commitment to regional investment ever, and it is a commitment that continues under this latest budget. We are all aware of the challenges of living in a state that has grown by 450 000 people since 2008. We are aware of the challenges of living in an economy that is transitioning away from being a resource-based economy. But it is only this Liberal-led government that understands and is willing to address the challenges faced by regional communities like the Vasse electorate. The Vasse electorate continues to expand as the fastest-growing regional area in Western Australia, with a growth rate of four per cent, or more than 1 000 new residents, per annum. These new residents include young families; retirees; young professionals; students; fly in, fly out workers; and migrants, to name a few. This is why, thanks to the 2016 budget and through Liberal representation, Vasse continues to be supported to meet the demands of an ever-increasing and evolving population. In this budget, we are supporting growth with a \$32.1 million investment in Cape Naturaliste College. We continue to support community sport and activity and regional tourism and we are investing in new industries, which support jobs for a growing region.

The Liberal–National government is committed to supporting the growing number of students in regional Western Australia. I am proud to say that thanks to this government, we have the highest paid teachers and the best resourced schools in the nation, and nowhere is this truer than in our regions. Our dedicated investment in improving opportunities for quality learning and teaching environments will continue to attract more people to live and work in regional WA. Improved educational outcomes will lead to a highly skilled workforce that will continue to contribute to the economic strength of our regions. Planning for the second stage of Cape Naturaliste College will begin in 2017, with building set to start the following year. Busselton’s Cape Naturaliste College has received a significant boost in this budget, with the announcement of \$32 million for the second stage expansion. This expansion, which includes \$6 million from the royalties for regions program, will double the college’s permanent student capacity. This will mean that at the start of the 2020 school year, Cape Naturaliste

College will have permanent classrooms and state-of-the-art specialist facilities for 1 200 students. The college, which is well established in the community, was originally opened as a middle school by the previous Labor government but whilst it was extended and opened as a secondary college, it never had the facilities to support that transition. This expansion will improve the already outstanding learning opportunities available to students in the Busselton area, including at Dunsborough and Yallingup. The second stage will include science laboratories, visual arts and media studios, a materials technology learning area, general classrooms and a performing arts centre. These upgraded facilities at Cape Naturaliste College will support the expected increase in student enrolment across the South West Region and the Vasse electorate.

The Liberal–National government is committed to keeping our regional communities active, healthy and engaged. The community sporting and recreation facilities fund is one of the most successful programs in bringing communities together through regional WA. This is increasingly important as our regions get larger. This year's budget sees a boost to this program of \$12 million. These small grants make a big difference to the amenity of our sporting clubs. Projects in Busselton and Dunsborough have already been granted funding in the most recent rounds to improve facilities at the local yacht clubs and the pony club, for example. These may be small projects but they mean a lot to regional communities.

The Liberal–National government is committed to regional events tourism. The City of Busselton prides itself on being the events capital of regional Western Australia, which supports every business in the electorate, either directly or indirectly. Our region has developed into an events drawcard for Western Australia with a broad range of experiences on offer, covering all age groups and interests. These events encourage visitation, inspire community involvement, add vibrancy and provide media exposure to the region, which supports tourism and jobs. It is pleasing to see that events such as the Club Marine Geographe Bay Race Week, Jazz by the Bay, the SunSmart Busselton Jetty Swim and the Quit Forest Rally have received funding in the past, all of which bring a unique and diverse group of people to the electorate, sometimes for the first time. The state budget contains some very good news for tourism, with Tourism WA's overall budget increasing by \$4.2 million year-on-year, bringing the total budget to \$93.2 million for the next financial year. As part of the 2016 budget, the government will provide additional funding to Tourism WA to help the industry achieve its \$12 billion goal in visitor expenditure by 2020, including a \$16.9 million funding commitment for destination marketing over this period. That funding also includes a \$268 million investment across regional WA.

The Liberal–National government is committed to investing in new industries such as the creative industries. Regional Western Australia is undergoing an exciting transformation at the moment. We are seeing the development of new industries for the first time—industries such as the creative industry sector. The state government has launched a regional film fund to the value of \$16 million, which will generate local jobs and investment in this growth industry. Creative industries currently represent \$70 million worth of exports and it is recognised, along with tourism, as a major growth area of our local regional economy. The regional film fund will attract productions to WA's unique regional areas, which again delivers jobs, supports local businesses and grows and supports tourism.

This fund will provide WA with a competitive advantage over other states in attracting film productions in WA. CinefestOZ, headquartered right in the middle of Busselton, with other smaller events across the south west region, has been bringing national and international filmmakers to the south west region for the last eight years. In a former life I was involved in this festival. It is amazing to see what this event has become. It is an event that now hosts Australia's richest film prize. The \$16 million funding through royalties for regions will be administered through ScreenWest, partnering regional development commissions to market locally and overseas WA's great locations to attract productions. The regional film fund will seek to enhance successful partnerships with the screen industry as demonstrated with the recent productions of *Breath* in Denmark, *Jasper Jones* in Pemberton and *Red Dog: True Blue* in the Pilbara.

The Liberal–National government continues to invest in controlled burns to protect our homes from fire and to reduce fuel loads in the region. Our goal is to burn 200 000 hectares or 45 per cent a year of state forest or national parks in the south west carrying fuel loads accumulated over six years or longer. The state government continues to support this effort and additional funding of \$20 million has been allocated over four years towards this effort on top of the investment already provided through the Department of Parks and Wildlife. As the local member for Vasse, I have supported further burns in this region and encouraged the community to get on board by ensuring their properties are safe. The priority burning areas in the region are around Yallingup, particularly behind Yallingup hills, where the fuel load is a significant concern.

The Liberal–National government continues to address the complex issues of sharks in our swimming beaches. We are doing this by increasing our awareness of shark behaviour and monitoring their presence in the ocean. We have seen an improvement in this sensitive and vital public safety issue. From the many conversations I have had in the Vasse electorate with surfers, my daughters, swimmers and fishers, they all see great value in the real-time satellite-linked shark detection receiver network. That is why the allocation of \$495 000 for the replacement of up to 18 prototype receivers with the latest technology is great news for local ocean enthusiasts. Since 2008,

the state government has invested \$28 million in the shark monitoring network, including extended surf-lifesaving helicopter patrols and the development of the Sharksmart website tagging and monitoring. Locally, we have seen also the investment of two beach enclosures in Busselton and Dunsborough, both of which provide safer areas in which families and tourists can enjoy our waters and which have become very popular for ocean distance swimming.

Importantly, in this year's budget, we are seeing also a valuable investment in agriculture with a commitment of \$50 million through the Liberal–National government Seizing the Opportunity program. In total, \$272 million has been also contributed through royalties for regions. Thanks to the Liberal–National government, there has never been a better time to see investment in regional Western Australia. In the Vasse electorate, we have seen this through the growth of jobs, through the diversity of the economy and through the vibrancy of this region—something we have never seen before. It is certainly an exciting time in regional Western Australia. We have only the Liberal–National government to thank for this transformation in our regions.

MS J.M. FREEMAN (Mirrabooka) [3.44 pm]: I, too, rise to speak to the second reading of the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016. As we have heard from our colleagues, there are real failings in this budget. I would like to emphasise how the budget has failed the community in employment. My view is that it does not deliver job opportunities in a time of need and reduces training opportunities by hiking up fees. The budget papers indicate that business is at the highest level of any state, yet somehow we are congratulating ourselves on having the second lowest employment figures. When business investment is the highest of any level in the country, we would think that would also sustain previously established jobs. If not, we have wasted all the years when there have been a high number of jobs and low unemployment and we could have been looking at how we could diversify our economy to deliver alternative employment when those jobs came off the boil. Part of the problem, Mr Acting Speaker (Mr I.M. Britza), of which you may be aware given your constituents, is that many of the people living in areas of high diversity and newly arrived Australians went into low-skilled employment such as that in nursing homes and fabrication. Those jobs have not been lost to the system; the people who were in jobs lost to the system in the mining industry have come back and displaced those people in the community who can least afford to be displaced from employment and who can least afford that sort of difficulty. People who have been high-income earners in times of really high employment have come back into the system and replaced people in low-skilled and quite low-income areas. Those people least able to afford it are bearing the brunt of the high unemployment we currently see. The travesty in all that is that the people who are most disadvantaged are our youth.

I welcome the government's announcement that the recruitment freeze is over but I wonder what that will mean in reality when, among other things, departments such as the Department of Local Government and Communities are being gutted. It is a small department. Communities is a really small area but it does vital work delivering services and information into the community. It provides services such as the Seniors Information Services, the Women's Information Service WA line, Parenting WA and Youth Policy. The budget papers show that quite a substantial number of jobs have been cut.

The Equal Opportunity Commission is another area that provides very important services in our community to ensure that people have some recourse and capacity for justice if they are discriminated against or treated unfairly in their employment or in other areas. It has suffered cuts to staffing two or three years ago of some six of seven full-time equivalent positions and it will again lose, I think, eight FTEs. How can the commission continue to operate the service at the level people in this community need? It is little wonder most of these agencies now have to charge fees and services just to do their public service. It is a public service and it should be delivering services to the public that we as policy makers have said is reasonable. We have not said in this place that we do not think the Equal Opportunity Act should apply any longer. In fact, when a question is asked, the government says that the act is there and people have that recourse. We stand on saying that we have these facilities and these services, yet we make them nigh on impossible to deliver in the community because we take away the number of people delivering those services. We cannot have service delivery without the people to deliver the services. That is certainly the case with Parenting WA support services.

I remind members that a couple of weeks ago, or it might have been a month ago, the Commissioner of Police made public comment about how parents need to support their children and ensure they are looked after and do not get into the justice system. As I recall—this is just off the top of my head—the then Minister for Child Protection said that parents can access Parenting WA if they need support. Well, no more! The government can no longer say that parents can access Parenting WA, because as of 31 December this year, some 60 jobs in that service will be abolished. The government says 44 jobs will be abolished. The union says it will be around 60 jobs. Perhaps 20 of those people will be redeployed in another part of government. However, the on-the-ground delivery of parenting services by the parenting coordinators in the public sector will be gone. That valuable service in our community will be gone.

The government has justified this decision by saying that parenting support services will be delivered by the not-for-profit sector. The decision that the government has made in this budget will mean that from 31 December

this year, the Department for Child Protection and Family Support will no longer offer its Parenting WA services and Best Start program. That is not a good decision. It will enable the government to save money. The government is basically cost shifting. The government believes that the not-for-profit sector will be able to deliver the same quality of service at a lower cost. When the government pays the not-for-profit sector to deliver a service, that covers the cost of employing staff to deliver that service, but it does not cover the administrative costs and the rental costs of running the organisation. The pay and conditions of people who work in the not-for-profit sector are lower than those of people who work in the public sector. Many of the jobs in the not-for-profit sector are filled by women. The Minister for Women's Interests has said that she is concerned about the gender pay gap. However, her government has made the decision to abolish the jobs of those people in the public sector who are delivering this service and are paid at a certain level, and to privatise those jobs to people in the not-for-profit sector who will be paid a lower wage. Frankly, because the not-for-profit sector cannot pay the same wages as are paid in the public sector, it has to rely on the commitment and passion of its workers. The government should ensure that workers employed by non-government organisations are paid the same wages as they would be paid if they were employed in the public sector. However, that is never the case. That means that the gender pay gap is effectively increased. When the delivery of services by the social trainers who work with people with disability was privatised to the not-for-profit sector, those social trainers were paid significantly less. If the government were serious about the gender pay gap, it would ensure that the pay and remuneration of people in the non-government sector was at a similar level to that provided in the public sector.

As I have said, the services provided by Parenting WA, and the Best Start program, will be gutted, and the Department for Child Protection and Family Support will establish a centre of parenting excellence. This centre will be located in an old building in Mt Lawley. I have some familiarity with that building. It is near the new underpass and close to North Metropolitan TAFE. I reckon that if I asked a question on notice, members would find that four or five small government organisations have gone through that building, and they have then been gutted and the government has got rid of them. It is a clearing house. It is basically a departure lounge for organisations that the government has no more interest in. The government thinks that if it puts them in this building, they will get lost in the system and the government can then get rid of them quietly.

That is exactly what happened with youth justice services. There used to be youth justice services in the regions. If young people got a caution or a charge from the police, the youth justice services would do early intervention work with those young people to keep them out of the justice system. It was fear-factor stuff. The young person would come in with their parents, and they were told how serious it was. It may have been slightly middle class-orientated, but it was very effective in ensuring that these kids were aware of the seriousness of their actions and the impact on the victims, and made a commitment to do community service and did not enter the justice system. It was very important early intervention work and it helped to prevent recidivism. What happened to those workers? They were taken out of the regions and sent to that old building in Mt Lawley. They have now gone. The Centre for Parenting Excellence will now be located in that building. Let us see in a few years where that has gone.

Parenting WA is providing a valuable service in the community. I have worked with one of the Parenting WA coordinators. They conduct a variety of activities and work as a collaborative team in delivering services to the community. They identify parents at risk and work with those parents to help them improve their parenting skills. One of the big concerns of people who are new to Australia—members may be aware of this—is that they think Child Protection will come in and take their kids away and they will not have the capacity to parent in the way their culture says they should parent. The parenting coordinators stand outside of the Department for Child Protection and Family Support and work with community heads and community leaders to dissuade parents of that concern. They also assist these communities to learn what is expected in the broader Australian community when it comes to parenting.

I will give members a classic story. One of my friends told me that in her community, they talk about beating their kids. What they really mean is smacking their kids. They will say, "I gave him a good beating," and the kid goes to school and says he got a beating, when all he got was a smack around the legs or something like that, and the teacher says, "Oh, my gosh!", and then there is a report and all the things that come from that. The parenting centres are doing a great job in that area. They allay the fears of parents and help them understand the differences in cultural terminologies. They talk to them about the expectations in the contemporary Australian community around children. That work sometimes culminates in putting on little plays to teach parents in the community. From 31 December, that will be gone. This government does not see parenting services as a service that it should deliver.

Parenting WA provides families, grandparents and carers with information and resources. It also runs courses. My husband and I once did a Parenting WA course. My 20-year-old will attest to the fact that it was very positive. We did the PPP—the positive parenting program—and my son's growth and health attest to how valuable that course was.

I often used to say that I made a better aunt than I would a parent, but when it all came to fruition I did the right thing and did a course to ensure that I could assist my son with his emotional resilience. I did that through Parenting WA, and was provided with one-on-one support and community workshops. The 2014–15 annual report of the Department of Local Government and Communities lists the key achievements of Parenting WA. It ran a number of other programs such as 1-2-3 Magic, the Positive Parenting Program, the Circle of Security course, Tuning in to Kids, and Tuning in to Teens. Being able to support parents at that really critical period of time—the teenage years—is very important, and that support has now gone. There were also courses on engaging adolescents, and courses run by Protective Behaviours WA.

Debate adjourned, pursuant to standing orders.

LAND TAX

Motion

MR B.S. WYATT (Victoria Park) [4.00 pm]: I move —

That this house condemns the Liberal–National government’s three increases in land tax and recognises that these increases have had a dramatic impact on landowners across Western Australia in an environment of falling property prices and higher rental vacancies.

Mr Acting Speaker (Mr I.M. Britza) knows this important motion needs to be vented in the Parliament of Western Australia because of the anguish in the community and, from what I have read, some surreptitious anguish in the Liberal Party. I know many of my Liberal colleagues will be speaking today to outline their anger and frustration with the Barnett Liberal government’s three increases in land tax! I know that because I read comments in the newspaper; admittedly, they are often not sourced. The only sourced comment was from a cabinet minister who disagreed with the budget. The only comments I could find were unsourced, so I dare say my Liberal colleagues will try to talk out their anger at their government for increasing land tax so dramatically not once, not twice, but three times in three consecutive budgets. A number of speakers on my side want to make a couple of comments before we allow members of the Liberal Party to speak—I know they will be very keen to speak!

I will quickly remind members of the three increases in land tax since the 2013 fully funded, fully costed election promise. There was a 12.5 per cent increase in the 2013–14 budget, followed by another increase of 10 per cent in the 2014–15 budget. The one that really caused the most consternation was in the 2015–16 budget because, effectively, the scale was changed and it increased projected land tax by 20 per cent. I will call that the 20 per cent increase. It was hard to give it a set figure because it was not just simply a 12.5 or 10 per cent increase like the first two, but, effectively, a whopping 20 per cent increase in land tax. Looking back over the past 10 years, we see that three issues have overwhelmed the inbox of my computer: firstly, daylight saving; secondly, retail trading hours; and, thirdly, land tax. I have been overwhelmed with angry emails about land tax. When I asked the Premier about it at the time, my colleagues will recall that he said, “These are wealthy people; they can sell assets and restructure.” But the big eggs—the people with huge assets—were not flooding my inbox and complaining. I have files of emails of anger from people who were flooding my inbox and complaining. This is one of my full files. I will read one; as I said, I have heaps and I have no doubt that other members will read in a few.

The anger is white-hot. In an environment of falling rental returns; increasing rental vacancies, both commercial and residential; falling property prices; and a slowing economy and increasing unemployment, the government has ratcheted up land tax by 10.5, 12 and 20 per cent. It is little wonder Liberal members are getting flooded with angry emails from Liberal supporters. I find it interesting that there was one person who went on the record in the media this week. Apparently, all this leadership tension in the Liberal Party has been generated by the issue around land tax. I asked the Treasurer yesterday whether he made any suggestion to any of his colleagues that he was going to make changes to aggregation. His answer was very evasive, so clearly he did, and I want to hear from my Liberal colleagues what they thought about what was going to happen in the budget around aggregation; whether they went to the Treasurer and argued on behalf of their constituents and other people around Western Australia for changes in land tax. I want to hear from them. When I put that question to the Treasurer, he was very evasive—“No, no, no; the only thing we’ve committed to is to look at it, and that was outlined in the budget speech.”

I found something even more interesting. The Treasurer cannot, as the member for West Swan pointed out in her budget reply a little ago, now wake up zombie-like and say, “Did we really increase land tax three times in a row? Did we really do that? When I read my first speech in Parliament, I believed in lower taxes, smaller government, less debt and no operating deficits. That’s what I believed in. Did we really increase land tax three years in a row?” The Liberal Party did, and into a slowing economy. That is what the government did. I understand that government members want to believe they did not know; I have noted the comments of the member for Mount Lawley: “We had no idea. No-one told us.” But every single time, colleagues, it required a change to legislation. Every single time we opposed the legislation and pointed out what that increase was

going to do. Every single time government members all agreed and voted for it. I consulted *Hansard*: nobody on the Liberal side spoke against any of it; nobody expressed a concern about the impact it may have. Indeed—I keep pointing this out—at every single budget that has been announced by the Treasurer, with these three increases in land tax, he has been given a round of applause. Government members have not been standing idly by, allowing land tax to slip by in the dead of night and are now stunned at the outcome. Government members are willing accomplices in what has been done with these land tax increases. Indeed, I think out of the great hypocrisy of all Liberal members of Parliament I have heard or read about allegedly complaining about the increases in land tax, none is more so than the Minister for Transport. It is quite extraordinary. On Tuesday *The West Australian* reported the comments of the Minister for Transport, Dean Nalder —

“There has been quite an adverse impact on various constituents at various levels and, yes, I do have concerns about it ...

That was the transport minister who has just agreed with the budget now saying, “I’m concerned about it.” Unfortunately for Mr Nalder, he was also the finance minister who introduced the legislation to make the first increase in land tax. I thought: I must be misremembering; I do not recall Dean Nalder—apparently, the business community’s favourite to take over from Mr Barnett—when we were having the debate and the Labor Party was opposing that increase in land tax, saying, “You’re right; I am worried about it. I’m worried about”—to quote Mr Nalder again—“the adverse impacts.” In fact, when I went and had a look at what Mr Nalder said, his final sentence, as he put the issue to a vote, was —

The land tax increases amount to up to \$20 for people with properties valued at up to \$500 000 and up to \$70 for people with properties valued at up to \$1 million. Again, I suppose that is the reason why members opposite did not talk about it that much—the change is minimal.

Although Mr Nalder is now, incredibly disloyally, running from the budget of his government and saying, “I worry about the adverse impacts”, when he was actually passing the legislation in this place he said, “It’s a minimal impact; don’t worry about it.” But we apparently now have a Minister for Transport who is worried about the adverse impact. It is a pity he was not when he introduced the legislation to increase it.

Ms R. Saffioti: Mathias told him to.

Mr B.S. WYATT: I think Mathias said, “Let me tell you, Minister for Transport, you are worried about land tax.” “I am worried about land tax, Mathias”, the minister replied. The minister is now worried about the adverse impacts of land tax. I thought that maybe it was Bill Marmion. Colleagues may recall that when the Minister for Transport was the Minister for Finance, he had some personal difficulties that saw him lose the finance portfolio. The finance portfolio went into the member for Nedlands’ hands. He said that his increase to land tax was a very small change. Time and again we have made crystal clear what the Liberal Party is doing and every time the minister’s response is that it is a very, very small change, it is minimal and it will not have any impact—right up to the point at which members start getting those emails. I want to read out one email. I have a lot of emails here, and I have read a few of them before. As members know, this issue has been debated in the past. This email was sent to one of my colleagues and forwarded to me. It reads —

As discussed this week we have received a real shock when we opened our Land Tax Assessment in the mail.

This is November last year, upon receiving the third increase —

On a like for like assessment of 2014/2015 our tax bill has increased by 89.03% this is based over 3 commercial properties which we operate our Hardware business from. We really struggle to see how the government can justify that sort of increase.

Unfortunately it gets worse as one property has been increase in value by \$30k, & each of the other \$15k each this has resulted in an actual increase in tax of 122%.

I could accept the value increase if that was the case but, it just so happens that we had the properties valued by licenced valuer in the same period as the assessment for bank & finance reasons. We are currently lodging an objection for this part of the assessment through Landgate to adjust the values back, but none the less it is a concern that sort of increase can be applied when market condition can’t support an upward adjustment of more than 5%.

This email goes on to state —

... I could go on about small business input cost over the past 7–10 years, but really Government and political parties of all persuasions are not watching what is happening at grass roots. The amount of business that have closed in this region is staggering & increasing the operation cost is not going to help the remaining business.

Increased pressure from large Corporates is making it near impossible for owners such as myself to make anywhere near a reasonable return on our investment.

I read that email because I want to make a point that deals with an issue the Premier raised, when I asked a question about the land tax increases in the first place, that these are all large property owners and they can adjust their finances accordingly. That is not the case; this is a small business person and the land tax increase is having a dramatic impact on the capacity of that person to operate their business, which according to the email is a hardware business. That is the reality of the government's increases to land tax.

One final point, because I know that some of my colleagues want to speak on this issue. I want to address an issue that the Treasurer raised yesterday about a prominent property developer who the Treasurer is clearly having a difference of opinion with at the moment. The Treasurer said to the Leader of the Opposition that the property developer —

... is a major funder of the Labor Party. Look at the returns! It was \$25 000 last year—none to the Liberal Party!

Does the Treasurer stand by that?

Dr M.D. Nahan: That's from the Electoral Commission WA. That's what the results are.

Mr B.S. WYATT: Did the Treasurer look at them or did he get an adviser to look at them?

Dr M.D. Nahan: No, I did.

Mr B.S. WYATT: The Treasurer is wrong. Last year, there was none.

Dr M.D. Nahan: In 2014–15?

Mr B.S. WYATT: The Treasurer is right; in 2013–14, there was a \$25 000 donation to the Labor Party, but in 2014–15, there was a \$50 000 donation to the Liberal Party.

Dr M.D. Nahan: I'll check.

Mr B.S. WYATT: The Treasurer should check. I want to make the point that when members throw around information like that in Parliament, they have to check that information and make sure that they are telling the truth. Although it has not been standard operating procedure under this government, Parliament is a place where members generally try to tell the truth.

I want to conclude with one final point. Following on from the email that I just read on the writer's objection to their land tax assessment, this year we have seen a whopping increase in the number of objections to land tax assessments—unsurprisingly. Hon Martin Pritchard asked this question in the upper house on 10 May this year —

How many objections have been received to date for 2015–16 land tax valuation assessments?

The answer was that to date there have been 629 objections, which is a 143 per cent increase in the number of objections to land tax assessments. Already some \$36 million has been returned as a result of those objections. I dare say that a lot of those objections, like the email I just read, are driven by desperation. Owners of a residential property cannot pass this on. In the case of the email I read out, the small business cannot absorb the cost. Colleagues, this is the impact of this land tax increase. I want to hear from not only unnamed Liberal sources in *The West Australian*, but also Liberal members of Parliament in this place today about their anger about what land tax is doing and their acknowledgement that increasing land tax three times by such a dramatic amount in a slowing economy has had a negative impact. That is what the motion asks for. I look forward to hearing from my Liberal colleagues and to them voting to support this motion.

MS R. SAFFIOTI (West Swan) [4.16 pm]: I thought Liberal Party members would stand up and talk about how crazy these three land tax increases have been. I thought the Liberal Party was anti-big tax increases. I thought that was the case. I am making a contribution to this debate because I have been shadow Minister for Finance for all three land tax bills. We discussed the three land tax bills and then came into the chamber, but every time there was a vote, I was very surprised that many members on the government side of the chamber voted for these land tax increases. Remember, there were three massive increases in land tax in a row culminating in a 25 per cent increase in land tax rates. This has had a massive impact on people's landholdings. Whether we like it or not, land is used as superannuation for many people in the community. Whether we believe it is the right or the wrong thing to do, it happens. When land tax is impacted to such a degree, it impacts people's ability to retire or to continue to live without the pension.

I have triple-checked and, yes, I have spoken about this issue three times and Liberal Party members have supported these massive land tax increases three times. I was visited by a delegation of concerned landowners last year who came to me, as shadow finance minister, to raise with me the impact these continuing increases in land tax were having on their ability to make ends meet. The key point is that these increases happened at a time of economic slowdown. I have said in this place many times that the Labor Party has always understood the need for taxation. We also understand that we should not make false promises about tax, as the Liberal Party has continually done at each election. I would not be surprised if the Liberal Party comes out with a crazy new tax

cut or promises a new tax exemption in the lead-up to the next election, because that is what it does. The Liberal Party makes false promises, gets into government and then increases taxes. I know that sometimes governments have to increase taxes. I also know about the criticism that was levelled at the Gallop government when it increased some taxes at a time when the economy was heating up. That taxation was not introduced when state final demand was negative; it was actually happening when there was greater economic activity, which, in a sense, created greater revenue, and significant revenue flows resulted. However, this government has increased taxes at a time of significant economic slowdown.

I want to give members the feedback from those landowners. Many of them had commercial units in industrial areas such as Malaga and Wangara. They could not get them leased out or, because the economy was slowing down so much and the tenants could not afford to pay the rent, the owners were either giving them the premises rent free or cutting the rents because they felt for the small businesses in those units. At the same time, significant tax increases came along, which created a real pinch for the landowners.

I want to go through and set out the economic environment. Remember, these land tax increases have basically come into effect predominantly over the past few years. Let us go through what has happened in the economy in 2014–15, 2015–16 and 2016–17—negative 3.6 per cent in 2014–15; negative 4.25 per cent in 2015–16; and negative 3.75 per cent in 2016–17 in state final demand. Basically, the domestic economy contracted three years in a row. The unemployment rate increased from 5.4 per cent in 2014–15, to 6.5 per cent in 2015–16 and to 6.75 per cent in 2016–17. Significant deterioration in the unemployment rate was coupled with contractions in the state economy. Let us look at some of the key factors in the housing sector. Dwelling investment is expected to fall by 8.7 per cent in 2016–17. Business investment fell by 12.7 per cent in 2014–15, is expected to fall by 17.5 per cent in 2015–16, and is expected to fall by 19 per cent in 2016–17. Just to finish off, the median house price is expected to fall by 3.5 per cent in 2015–16 and by 0.5 per cent in 2016–17. These massive land tax increases have come at a time of economic slowdown, rising unemployment and a deteriorating housing market. That is not how to manage the economy or the finances, because all it is doing is exacerbating the economic problems. It is incomprehensible that this government brought down these budgets without actually acknowledging this.

What type of thought processes does the government have, when the cabinet, or the Treasurer, makes these decisions for significant increase in land tax bills at a time when people can least afford to pay? All it does is put greater pressure on small business, which is finding it difficult during these times of falling demand, and impacts on people's ability to hold onto their properties. The Premier said that they can rationalise their assets. He is basically saying that they can sell their properties to pay the land tax bill. That creates further impacts on the domestic economy as people have fire sales to get rid of property to pay the land tax. This is from the two economic lecturers in this place.

Dr A.D. Buti: That is misleading—to say that they are economic lecturers.

Ms R. SAFFIOTI: I know the type that they are. They are the ones we walk out on when we are sitting at the back of the room.

This is what they have done. We knew that there was pain out there in the community. As I said, many people came to see us, and we raised it in this place a number of times, so we half-expected that the government would correct it in this budget. However, it started talking about removing aggregation. People came to see us saying that they had gone to see their local Liberal member, who said that the government was going to remove aggregation. As I said, aggregation raises a number of fairness issues for me, but I can see both sides of the argument. One, from those who want aggregation abolished, is that not only is there an impact on the amount the people pay, but there is the problem of one property valued at \$400 000 being rated differently from another property valued at \$400 000. That, simplistically, is the impact of aggregation. The alternative argument put to me by Treasury is that without aggregation, people can land bank a lot of properties at about \$290 000 and not pay any land tax. There are other implications, but there are pros and cons, and I understand that. However, because of the massive increase in the rates—10 per cent, 12.5 per cent and then effectively 25 per cent—the aggregation impact was exacerbated by the increases. People with significant landholdings saw huge hikes, because they were moving up the bracket very rapidly. That is what happens with the issue of aggregation.

As I said, the shadow Treasurer and I discussed this at length because we were hearing all these reports that the government was going to remove aggregation. We thought that it would be interesting if it did that, because it would have a big impact on the budget. We did not quite believe it, but people were coming to us saying that they had heard from their local Liberal, or at one of those business breakfasts, or from a fundraiser, that the Treasurer was going to remove aggregation. However, it never happened. The Treasurer allowed his colleagues to believe that this was going to happen, and it did not happen. People commented on that, as would be expected, and particular landowners commented on that. What does the Treasurer do? He takes it personally, and as always his response does not match the criticism. It is—what is the word?—an overreaction.

Mr P. Papalia: Disproportionate.

Ms R. SAFFIOTI: Disproportionate—that is the word.

I worked in a government that used to get front pages on a daily basis criticising it on the tax issue. We would get criticism from every lobby group down the terrace, including that of the now Treasurer, the Institute of Public Affairs. Every day, the then Treasurer was being portrayed in very unflattering cartoons in the newspaper, but he copped most of it. However, this Treasurer has a glass jaw, so one criticism and he starts wielding the name Donald Trump around the place. Has the Treasurer found that \$50 000 donation yet? It is right there next to the tax equivalence that he has in his books as well, and as impossible to see. I am sure that if he keeps looking he will find that \$50 000 donation.

Let us go back to the key point. There is no economic direction. It is bungle after bungle after bungle. Now we see all this ugly competition for the top job. It is ugly competition, is it not? We have the Premier's favourite for the job, the member for Scarborough. We have the business community's favourite for the job, the Minister for Transport. We have the cartoonists' favourite for the job, the Treasurer, and now we have Rex's favourite for the job, the member for Jandakot. The competition for the leadership is getting to be quite ugly. We are drifting with no economic direction and, in fact, a policy that has helped drive down consumer and investor confidence and is actually making the economic conditions worse.

That is what this government's land tax policy did and what the opposition highlighted time and again. Each time we highlighted that, no-one opposite stood up for landowners in this state. They sit with their coffees at fundraisers and little business breakfasts pretending these people are their friends, but when it counted, members opposite failed to stand up for them. The obligation today is on government members to stand up for the people whom they sit with at those business breakfasts and to defend what this government has done: it has made the situation worse for them.

MR P.C. TINLEY (Willagee) [4.30 pm]: Yes, defend the government they might! I look forward to members opposite having to defend the situation when they come to this side of the chamber in the inevitable course of time and they go to the same sort of business breakfasts that the Labor business round table, shadow ministers, opposition members and the entire Labor movement have been attending for the last eight years. They will hear the same moans and the same complaints that we hear. We listen to those complaints from the business community that they are under an overwhelming burden of both red tape and taxes. I wonder who they are talking about. Who on earth could the business community of Western Australia have been talking about over the last eight years of endless breakfasts, lunches, coffees, catch-ups, forums, think tanks and all the things that the opposition has the freedom, time and desire to do to engage properly and deeply with the business community? Who were they talking about? They were talking about this government, the conservatives, the Tories of Western Australia, who purport to be the grand defenders of small business in Western Australia, and the grand defenders of the economy and of a growth economy. But all this government has delivered to this state through its reckless financial management is woe and doom, and a completely depressed outlook.

Government members should go out and talk to businesses. Why not go one better? The Premier and Treasurer could talk to their own backbench! I know that the government backbench is getting that message loud and clear in their electorate. They are hearing all the stories. I wonder what happened in the Liberal Party meeting room—I might ask the member for Hillarys in due course for a briefing—in response to the representations that were made about the Premier's intention to provide some relief with which they could go back to the business people and investors in their community and give them some good news. I would love to have heard what this was, because clearly when this Premier and Treasurer of this government did not deliver any relief in this state budget, the word flowed out to the media and overflowed into the corridors of Parliament House in gossip, innuendo and accusations. Why did that happen? What representations were made by the Treasurer in the party room to his own party for him to say that he would look at it? What does "look at it" mean? Does it mean that the Treasurer is looking at declining state revenue after a bonanza of eight years, with the biggest single fiscal bonanza of any state in Australia ever? Does it mean he is looking at holding back the tide of debt that we have through borrowing for interest and wages? All the Treasurer saw was a 2016–17 tax revenue decline of \$117 million or 1.3 per cent, despite the \$836 million hike last year in land tax over the forward estimates and also a forecast decline in total stamp duty revenue of \$205 million or 12.1 per cent, which is according to Treasury forecasts. That is why this government is not doing anything for the business and investor community in Western Australia. It is because it needs every single cent it can claw out of the system to defend the massive debt and deficit it has built up over eight years of wrong priorities and wrong vision.

At a time when the state was booming, instead of building a legacy that the Premier can drive past in his retirement and look at with glee through his own vanity, the government should have invested in an innovation state—in a state ready to engage in its region and a state that is able to reach out across the Indian Ocean and take its rightful place as a highly developed economy in our region. No, the government squandered the benefits of that boom and splashed them up the wall in a fit of spending like a drunken sailor through its own vanity. It is not only me saying that—we know what happens!—but also the people whom I have a drink with in the bar, who are not always my Labor colleagues; sometimes there is a bit of a cross conversation. I will never give away

private confidences, of course—it would do no-one in this place any good to do that sort of thing. The government’s own backbench is quite vocal in its concerns, as is the business community, including none other than someone who has been a significant feature of the business community for all of my adult life. He is not moved easily to making public comment. He has been assiduous in his business dealings to ensure he engages appropriately with both sides in this place. It is very rare for Nigel Satterley to come out and make anything remotely associated with a partisan comment, yet there he was, on 15 May as reported in PerthNow, saying —

“The backbenchers are very unhappy and the Premier indicated he would do something, both to the party and to the supporters and he’s done nothing. The bad thing was that it wasn’t even discussed, they (the backbenchers) all thought there was going to be some adjustment.

They were led down the garden path, just as the people of Western Australia and the investment community were. They were in lock-step with the backbench of the Liberal Party in the deception that occurred leading up to this budget. Is it any wonder that Nigel Satterley was moved to make the following statement on the Premier’s position? He states —

“I think the Premier might get robustly challenged which could lead to a spill.”

Is it any wonder these sorts of things bubble up when the Premier promises one thing and delivers nothing? It is a view expressed not only within the backbench, but also the business community and the people who write to the opposition. The PerthNow story continues —

Property Council WA executive director Lino Iacomella said some property owners’ land tax bills had increased 100 per cent in the past three years.

That is not good enough.

We know that in a low interest rate environment and a climbing unemployment environment, a lot of people will suffer, not least of whom are those who will suffer through the lack of confidence they have in the fiscal management and economic vision of this Liberal–National government.

The government could not give up on the idea of collecting \$836 million of extra land tax, although I reckon that might be forecast down in due course because of the declining trend in the economy. In comments that the Treasurer made on 14 May last year about the \$839 million additional grab for taxes by this tax-and-spend government of which the Liberal Party is a part, *The West Australian* online reports —

Mr Nahan said yesterday despite the additional charges to investors, WA’s land tax regime remained “competitive” with those in other states.

I do not think it is a comment about competitiveness, because the money from land tax is not that portable. The investment is quite static. It is long term. It requires slow, methodical cultivation to last over the time. The people whom that affects are mostly self-funded retirees.

Those people have worked hard all of their lives to provide for themselves and not to rely on the welfare budget of Australia, not to rely on anything else but their own hard work. I will quote from *The Australian*. There are many things I could read out. I have had emails to my office, but this article in *The Australian* is about the impact on self-funded retirees and those people who invest in this community. The article states —

The Australian has spoken to several owners who say the rise in the land tax will lead them to vote Labor at the next state election.

I do not think it is just the land tax that might drive them to vote for us; it might actually be because we have a record of being sound economic managers. The Leader of the Labor Party, the Leader of the Opposition, this afternoon excoriated the myth that the Labor Party is unable to manage books, budgets and the fiscal and economic outlook for the state. We only have to go back to the Labor Gallop–Carpenter government of 2001 to 2008. There were eight surpluses. Eight years in a row we delivered a surplus that was never going to be impacted by the swings and roundabouts of commodity prices. It was never going to be impacted; it had the appropriate insulation and defence against trade-exposed commodities. That is unlike this government, this Treasurer and this Premier, who have had to claw back in every way they can the defences from the spend that they should be getting in relation to services and the cuts in services to defend the swings in prices. I continue to quote the article in *The Australian*. It states —

Retired electrician Bob Albonico, 70, said the land tax bill for an investment property he built next door to his house in East Cannington had soared from \$768 in 2013 to \$2184 this year.

Mr W.J. Johnston: He came to my office.

Mr P.C. TINLEY: This is a lifetime Liberal voter who went to see the Labor member for Cannington. His land tax bill has gone from \$768 in 2013 to \$2 184. The article continues —

He and his wife, Jenny, 67, use the rental income from the house to cover their living costs and are having trouble finding the money to meet their latest assessment.

The quote that follows from Mr Albonico is a salutary remark for everybody on the backbench. Everybody on a margin of 10 per cent or less, heed these words. He said —

“I’ve always been a Liberal voter because of my bad experiences with the unions,” Mr Albonico said. “But unfortunately this is going to be my protest vote—I will be voting Labor for the first time in 50 years.”

That is two more for you, my friend the member for Cannington. The article continues with an account of Giuseppe and Giovanna Ioppolo—I am sure I mispronounced that—who are another couple. It states —

Mr Ioppolo said yesterday his parents’ land tax bill on their three commercial properties had risen from \$60,000 to \$94,000 in the past three years, which he said was akin to “extortion”.

I have a similar case in my electorate of, again, an older Italian couple. He was a grano worker and had probably been one for all of his working life. He started at the age of 13. He came and saw me. He and his wife had worked very, very hard all their lives and they had just got to the point at which they realised they wanted something a bit more sustainable. They are about 70 and they want something a bit more sustainable. They bought into O’Connor, which is a little light industrial area.

Mr W.J. Johnston interjected.

Mr P.C. TINLEY: Mine, at the moment!

They bought into O’Connor and they developed a four unit tilt-up style light industrial building—the normal one with an office at the front, warehouse space at the back, usually occupied by all sorts of different trades. Then they went about it. They had to sell three investment properties around the area that they had owned since they were quite young. These people, as Benny told me, had never ever taken a cent of state money. He was very, very proud of this fact. He had never taken a cent of federal welfare or state welfare; he had always worked hard. Those four units are now an anchor around his neck in a deflated and depressed economy that is getting talked down further by the Liberal Party and its economic vision for the state. The economy is getting further depressed in a low interest rate environment. These people are the real people we are talking about. These are the people who have broken their backs in the service of the state to build the state, and all the Liberal–National government can do is slap them in the face.

MR W.J. JOHNSTON (Cannington) [4.45 pm]: I want to join and support the debate on this motion. Is it not interesting that when the rubber hits the road, where is the Liberal Party? This is the highest taxing government in the state’s history. No government of Western Australia has ever charged the people of this state more taxes than has this Liberal government. It would be easy just to blame the Premier, and, let us face it, in October that is what the Liberal Party will do. Government members will say that it was the member for Cottesloe’s fault and they were passengers; they were not part of the decision-making process and it was just the member for Cottesloe doing all this. Actually, government members were here. They were all part of it. It is not as though there is not a precedent for the problems the state is facing now. I remember when the Court government was in power and there were five deficits in eight years running the economy down. Members have to understand that there is only one way debt can be repaid and that is to run a cash surplus. Everybody focuses on the operating surplus, and properly so, but if a cash surplus is not run, it means that the borrowings are being increased. We had this debate during the discussion on the Western Australian Future Fund back in 2011. We made the point to the chamber in detail that the only way to set up a future fund is to have a cash surplus, because otherwise money is being borrowed to put into the future fund. It is not as though there are no other members in this chamber who understand the problems with the high levels of taxation put on by the Liberal government in Western Australia. For example, there is the member for Churchlands, who in his inaugural speech, talking about the philosophy underpinning his approach to government, said this —

... simultaneously limiting the amount of government interference evidenced by antiquated labour market laws, bureaucratic red tape and discouraging taxation measures.

Where was he when he voted in favour of the last three tax increases—or is land tax not a discouraging taxation measure? A bit earlier in his inaugural speech he said something that was very interesting, talking about the federal Labor government. He said —

... the mire of a dysfunctional federal Labor government that continues to seek to overtax our prosperous industries, rob us of our fair share of GST revenue and punish us with east coast-centric policies that are divisive to the fabric of federalism itself.

Of course, we now have a Liberal Treasurer who is encouraging people to vote Labor in Western Australia because he says that is the only way they can get a good outcome for the GST in this state.

Then there is the member for Alfred Cove, who in his inaugural speech included this gem —

Our vision for this state must not come at the expense of our fundamental philosophies of lower tax ...

That is the transport minister. The first thing he did as a minister was to bring a land tax increase into the chamber. That is what he did.

It is not only the ministers we can point out. The member for Balcatta made some comments in his inaugural speech. He said —

I am aware of the impact of excessive taxes ...

That did not stop him from voting for excessive taxes. It did not stop him from voting to increase land tax on the sort of people whom everybody would expect to support the Liberal Party. But that is not the only one. We have the largest budget deficit in the history of Western Australia.

Mr M.J. Cowper: It's the same script.

Mr W.J. JOHNSTON: It is not the same script; I am just pointing out the truth. The sad thing is that the member for Murray–Wellington has supported a government that has destroyed the finances of this state. We supported a government that built the finances of this state. The point is that we now have declining expenditure on capital works in Western Australia. The number of capital works is going down, not up. That was the inevitable result of the appalling management of the finances of this state. If the government had listened to the member for Hillarys occasionally and paid attention to what he pointed out in his speeches on the budget, we would not be in the mess that we are. We all remember the classic speech by the member for Cottesloe as opposition leader in 2001 when he set out the agenda for deficit and debt that he believed the Labor Party was going to leave to the state. What happened? The Labor Party balanced the books, ran a surplus and funded infrastructure investment out of the cash surplus, not out of borrowings, to the point at which there was no debt in the general government sector at the time the government changed. We should understand that the state government is borrowing more in this one year—not to invest in anything, but to repay its current costs—than the total amount of borrowings over the 100 years of the state up to the time the Liberal Party came to government. That is just bizarre.

Three deficit measures are generally talked about in media commentary about budgets. The first is a cash budget, like the commonwealth government runs, which is just total income on a cash basis. Then we have accrual accounting, like we use here in the state government with the deficit—operational money—and then there is what is called a primary surplus, and that excludes debt service operations. Greece is currently running a primary surplus. In other words, it is still running a deficit, but if we exclude its debt service obligations, it is otherwise balancing its books. Western Australia is not running a primary surplus. Our budget position under this Treasurer is worse than that of Greece. Let us understand that. Greece is the country that people measure bad governments by. Our financial position is currently worse than that of Greece. That is the position we are in. We are running the largest government in the history of the state. There has never been a bigger government than now. I looked at another inaugural speech. What did this person say? They said —

I am a sceptic of large government. While governments play an essential, indeed pivotal, role in creating and sustaining a good society, they have an inherent tendency to interfere when they should not, to do what they should not, to act when they should not, to tax too much and to regulate too much ...

Guess who that was? It was the Treasurer. The Treasurer, who is responsible for the largest deficit, the biggest government expenditure and the highest level of taxation in the history of the state, said that in his inaugural speech. It is just bizarre. I think it is extraordinary that the current Treasurer lectures the member for Bassendean about wage expenditure. For crying out loud, the highest level of blowouts in our wages system has occurred under the current government. It has measure after measure after measure. Who remembers that it was going to cap the total number of public sector employees at 99 000? What is it now? Is it 112 000 or some figure like that? These are public sector employees, not public servants.

Dr M.D. Nahan: It is the general government sector and you know it.

Mr W.J. JOHNSTON: No, that was the figure. That is not what was promised. I love the fact that the government will not use the term “sacking”.

Several members interjected.

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

Ms R. Saffioti interjected.

The ACTING SPEAKER: Member for West Swan, the member for Cannington has the floor.

Mr W.J. JOHNSTON: When the government makes people redundant, it does not like to use the term “sacking public servants”. But redundancy means “to sack”. They mean the same thing. A redundancy is a specific type of sacking because the job ceases to exist but it is nonetheless a sacking.

Let us understand what has been done at Fiona Stanley Hospital. At Fiona Stanley Hospital the government has outsourced the non-clinical functions of the hospital for 25 years. That means that the non-clinical functions—the functions in the hospital that face away from the clients of the hospital, the patients—is now a fixed cost for a quarter of a century, whereas the costs in the hospital for the clinical services—that is, the bit that faces the patients—is the only cost it can now control. I am sure I am like every other member in this chamber in the southern suburbs. I have a constituent who is a ward clerk at Fiona Stanley Hospital and she tells me the horror stories of managing that dichotomy. Non-clinical services are fixed for a quarter of a century. No businesses in Australia outsource for a quarter of a century because the one thing everybody knows is that we do not know what is going to happen. The idea that we fix our costs for a quarter of a century and have no control over those costs is madness. That is why nobody in the private sector outsources for a quarter of a century, yet that is exactly what this government does.

Let us leave aside the ideological question about whether it is better to have public sector employees working in a public hospital and look at the financial effect. The financial effect has been a disaster. For example, the government had to pay for 12 months of the non-clinical operations of the hospital before it opened because it had no flexibility. If that had been a government-provided service, it could have managed the cost because it would not have ramped up when the hospital was empty. The government had the idea that somehow over 25 years, it would save money. It never produced a single document to support that, other than the assertion itself. The actual calculation of the assertion has never been made public. That ignores the fact that the government had to pay to not run the hospital for 12 months, and that it fixed all its non-clinical services.

Let me make a point. I was at a business breakfast the other day with some people from IT companies. They were all talking to me about how they are providing 20 per cent and 30 per cent discounts for the companies they are contracted to because the companies are saying that even though they might be two years into a five-year contract, they need to reduce costs by 25 per cent or 30 per cent. Where is that happening with Fiona Stanley Hospital? The government is saving money in nurses and clinical services. Is it asking for a discount on the services being provided by this unbelievably uneconomic contract with Serco? These are crazy decisions.

I am indebted to the Treasurer for pointing out at the recent Committee for Economic Development of Australia function in February that all the capital expenditure in Western Australia during the time of the Liberal government has been borrowed money. He pointed out that all the additional revenues that the government received from the China boom was spent on recurrent expenses. The government did not save one cent. Then the Treasurer came up with this ridiculous argument, asking why Nostradamus did not tell us that the price of iron ore was going to fall. I went back and looked at the debate when the member for Midland was shadow Treasurer. She pointed out the risk that was being run. She attacked the government on its forecasts on this very issue, and the Liberal Party criticised her personally because she had the temerity to say that the government was being overambitious in its predictions for the price of iron ore. The problem with the Treasurer rewriting that history is that he is ignoring the facts. The Labor Party has been continually saying, “Don’t do this; it’s a bad decision, you’ll get us into trouble.” All the zombies on the backbench and the policy zombies in cabinet have sat there doing nothing and protecting nobody, and in October they will say it is all the member for Cottesloe’s fault.

DR M.D. NAHAN (Riverton — Treasurer) [5.00 pm]: To the statement that we increased land tax three years in a row, I say yes. We did not do so in this budget, but for three years in a row we increased land tax substantially and in the first two years it was on the highest-value properties. For the last year it was on a range of properties. Did I get a number of complaints? I got a lot of complaints. Why did we do it? Today we heard a lot of rewriting of history from members on the other side. Let me deal with some issues raised by members on that side. One of the issues we have experienced over the last 15 to 20 years is massive increases in land values and a very large increase in the number of investment properties. It has been a very common phenomenon across all sections of the community for people to invest and create wealth, particularly given the growth in property values.

Mr B.S. Wyatt: You’re right.

Dr M.D. NAHAN: I am; that is what I said.

Mr B.S. Wyatt: Yes; I’m just making the point; it’s not just big-end wealthy people.

Dr M.D. NAHAN: Yes. That is highlighted in the debate on negative gearing at the federal level; that is, a large number of people on modest incomes have invested in property, although those asset bases might be very large. I make it clear also what land tax is. It is a wealth tax, in that it is calculated on the unimproved value of the land. Whether the land is earning income or not is irrelevant to the imposition of land tax. Of course, the family home is exempt from land tax but the legislation catches mostly people with investment properties, most of which earn rental income, but some do not—they might be holiday homes or vacant blocks or occupy a range of other activities. One thing is clear: over the last 15 years we have seen a massive drop in the effective rate of land tax in this state. Whether it is measured on low or high-value properties, an accumulation of properties or otherwise, over the last 10 years we have seen on average a 55 per cent drop in the nominal tax rate for most areas.

I will read out some of the comparisons. In Western Australia in 2005–06 a property with an unimproved value of \$500 000—with a house on it, it would be worth probably \$1 million—would attract a tax of \$1 185. Today, despite three increases, it is \$500. Let me make that clear. We have seen a two-thirds drop in the rate of land tax on a property worth \$500 000. Treasury tells me that over the 10 years, the effective tax rate on the average value of unimproved land in the metropolitan area that is subject to land tax has halved—after the three years of increases. In 2016–17, the rate of tax on a \$500 000 tax-assessable property with an unimproved value will be a third of what it was in 2005–06. Looking up and down the list, a \$1 million property in 2005–06 was \$6 360; today it is \$1 750, which is a fraction of the total cost it was 10 years ago. This is a nominal, non-inflation adjusted figure. This has occurred during very, very large increases in the value of properties in Western Australia, particularly up to the global financial crisis of 2008, when property values increased significantly. They have been pretty flat since then. Land has been a very good investment. I must admit I have invested quite extensively in properties in the past, but not now, and I have received very large gains over the years both here and in Victoria, and elsewhere. I remember that values rose by 30 to 40 per cent in a single year and it has made it easy for me to retire.

Mr B.S. Wyatt interjected.

Dr M.D. NAHAN: Not that I am going to, member for Victoria Park; I will be here for a while.

Mr B.S. Wyatt: Ten more months, member.

Dr M.D. NAHAN: No, no, don't worry about that.

Mr B.S. Wyatt: You might be good on this side of the house.

Dr M.D. NAHAN: I have no plans to be on that side of the house in your position. Members opposite have their tails up, but we know what happens to roosters with tails—someone plucks them out—so be careful.

In 2005–06, the largest cut-off area, which is \$10 million—it is larger than that, but this is the cut-off—attracted land tax of \$216 560; today it is \$166 550; that is, it is \$100 000 less tax, at the highest value level than it was 10 years ago. I will read out some interstate comparisons. In Western Australia, a \$1 million property currently attracts land tax of \$1 750; in New South Wales, \$8 388; in Victoria, \$2 975; in Queensland, \$4 500; and, importantly, in South Australia—the member for Victoria Park lauds the South Australian Premier, Mr Weatherill, as a leading light in tax reform —

Mr B.S. Wyatt: Who does?

Dr M.D. NAHAN: You do. I will quote him in a minute, when I get to that section. He will remember.

Mr B.S. Wyatt: On land tax?

Dr M.D. NAHAN: No, on tax reform. I have had many discussions with my counterpart, Tom Koutsantonis—a very impressive Labor Treasurer, I might add—about tax reform. I will go through some of the issues the member for Victoria Park highlighted and on which I have had discussions with the South Australians.

In WA, a \$1 million property attracts \$1 750; in South Australia, \$9 101. There are probably not too many million-dollar properties in Tasmania, but the tax is \$11 588. In other words, on a \$1 million property, WA pays, by a large margin, the lowest land tax in the country. The land tax at almost all levels—even the top one—is lower today in nominal terms than it was 10 years ago. Do we have high land taxes in this state relative to the past and to other states? Absolutely not. Has there been high escalation in land values over the last decade or so? Absolutely. It is a wealth tax. The question asked by members opposite is: is our land tax excessive relative to property values, relative to other states and relative to the past? No. The issue is two-fold. First, did we ratchet up land tax too quickly over a short period? Second, should we have used some other revenue-collecting mechanism?

In the member for Victoria Park's talk with John McGlue in February 2015, he made some very good points. I will paraphrase some of the statements that he made. He stated, quite rightly, that we cannot rely on the necessary major reforms being made to the GST. That is because all the states will have to agree, and that will be very difficult, particularly with South Australia and Tasmania, who rely very much on the GST. I will give members an example of how difficult that will be. I have looked at the Queensland budget. Queensland has twice the level of debt that we have in Western Australia. Queensland has almost \$80 billion of total public sector debt. Queensland—like Western Australia—incurred that debt in a period of boom, particularly with coal prices and the ratchet up to LNG. I remind members that in an overheated economy, the imposts on expenditure in the state public sector and for public enterprises can be underestimated.

Mr B.S. Wyatt: Treasurer, do you have the breakdown for Queensland of that \$80 billion between general government and —

Dr M.D. NAHAN: It is about 50–50, or a little over \$40 million for each, from memory—the Queensland government is doing a tax swap, somehow, and I do not understand it, but it is about 50–50. Queensland has

almost triple our level of general government sector debt, but it has double our population, or a little less. Queensland is by far the most indebted state and has been for some time, but it is levelling off. Queensland's total commonwealth grants are equal to 45 per cent or 50 per cent of their total revenue. Our commonwealth grants are half that amount.

Mr B.S. Wyatt: What are the extra things that Queensland is getting?

Dr M.D. NAHAN: The biggest thing is GST. Queensland gets back 170 per cent of its share.

Mr B.S. Wyatt: So, the biggest proportion of that 50 per cent is GST?

Dr M.D. NAHAN: Yes, and that is the adjustment for population. That leaves a gap. We cannot do anything about iron ore prices. We are price takers for iron ore. We could lobby for more general purpose grants. That is a hopeless cause. Even on general purpose grants, just to let members know, if Shorten were to adopt the Gonski model, Western Australia would get little right improvement out of that. Through our student-centred funding model, we already have a mechanism for funding students. That model is like Gonski, with differentials for disability and other issues. In other words, for all practical purposes we have Gonski. I will tell members how Gonski would operate. The commonwealth would set a national efficient price, just as it has done for health, and it would contribute a proportion relative to that national efficient price. We are way above the national efficient price. Therefore, we would get very little benefit from Gonski—we would get some benefit, but not much.

I divert. As the member for Victoria Park indicated to John McGlue, and as I have said repeatedly for over a decade, Western Australia has really lousy tax choices.

Mr B.S. Wyatt: Can I ask you one question by way of interjection?

Dr M.D. NAHAN: Yes.

Mr B.S. Wyatt: I have said in this place that if we get a floor in the GST, we can only ever, realistically, get that floor—it does not matter what the floor is—when every state is, and is projected to stay in its forward estimates, above that floor. That is not far away in terms of years. I do not know. You tell me. You have got the advice of Treasury.

Dr M.D. NAHAN: Let me go through it. That is a good question. We have three types of taxes. Payroll tax is a dog of a tax. It is very unpopular. Payroll tax was given to the states by the commonwealth in 1971 to shut them up about having a growth tax. Over the years, state governments have narrowed the base to assist small business. I am not sure of the exact numbers, but it now applies to in the vicinity of 20 per cent of firms, mainly large firms. It is very narrowly based, the rate is pretty high, and it is hated by the business community.

Mr B.S. Wyatt: Can I interject on you again while we are in this mood?

Dr M.D. NAHAN: Yes. I do not have a large crowd of people pushing for me to talk!

Mr B.S. Wyatt: The former Secretary to the Treasury, Martin Parkinson, who is now head of the Department of the Prime Minister and Cabinet, came to Western Australia and said in a speech that all the states need to understand that we have a very efficient tax called payroll tax, but we have created too many exemptions to the threshold, and if we can sort that out and lower the rate, we will get ourselves a GST. That is basically what he said.

Dr M.D. NAHAN: I will go through that, and I want to go back to my discussions with the South Australians.

We have payroll tax, transfer duty, land tax, and stamp duty. Stamp duty is a dog of a tax. Stamp duty is a rotten tax. It originated way back when we could measure the number of stamps on a transaction. It is very volatile. Land tax is the smallest of the three taxes. The argument in the literature from the tax experts is that if we had to go through any of those taxes, as our first priority, we should do the opposite of what we have done in this budget. We have increased the payroll tax threshold from \$800 000 to \$850 000. We should go way down the other end and lower the rate. However, we would not want to do that in this economy right now. We would need to do that over the long-term and during a growth period. We have had extensive discussions behind closed doors, led by Tom Koutsantonis, about doing exactly that. I do not know whether it will ever happen, because technically in an economic sense if we had a flat payroll tax across the board, it would be equivalent to a GST. The modelling on that is quite clear. It would be exceedingly difficult to go back to a flat payroll tax that puts a tax on everything, including every employee—I think we would probably exclude non-governments and not-for-profits—and politically, only a very brave person would do that. Therefore, Tom has suggested that we give payroll tax back to the commonwealth, and it will be exactly that—a GST. However, the commonwealth would then control it. Of course Tom also wants it to go through the equalisation process, and that would nullify it. That is the process.

The second tax is land tax. The complaint about land tax is that it is not a tax on income earned. It is a tax on a stock, not an income flow. It is a tax on an asset. It is a wealth tax. If a person owns a CBD property or a commercial building that they rent out, they can pass on that tax. That is no problem; that is what most of them

do. However, for a large number of people who have invested in properties, their focus has been on capital appreciation, not revenue, and because of low land tax rates and large increases in property values, they do not give a stuff about the flow of income. Therefore, when we raise land tax, many people struggle to find the income flow to pay for that land tax. What is happening because of these land tax increases is that people will optimise their asset. This is what the Premier was pointing at. That is already happening. People who have land in which they have under-invested will either sell that land or invest in it to get a larger income flow. I have a lot of experience talking to people about land tax, and that is what they are talking about doing. They do adjust to the market. In the talk that the member for Victoria Park had with John McGlue, he was asked what we should do about that, and he reiterated what other people have been talking about—that is, we should have a flat rate of land tax on all land.

Mr B.S. Wyatt: Are we talking about the ACT?

Dr M.D. NAHAN: Yes, the ACT is implementing this, over a long period of time, and the South Australian government has also promoted it and argued it.

Mr B.S. Wyatt: Yes, to get rid of stamp duty.

Dr M.D. NAHAN: Yes. Land tax is probably one of the more efficient taxes, so long as we keep the rate pretty low over a period of time. The idea is that it will be more stable, it is a lower rate, and we still get some value.

Mr B.S. Wyatt: It's definitely less volatile than stamp duty.

Dr M.D. NAHAN: Yes. That is a transaction tax; this is not.

Put aside what we do with it. It means a tax on a family home—everything.

Mr B.S. Wyatt: It would have to be, if you were going to get rid of stamp duty.

Dr M.D. NAHAN: It would have to be; that is right. We have done the modelling, and it would not even come close to doing that in most states.

Mr B.S. Wyatt: I guess it depends on the rate, doesn't it?

Dr M.D. NAHAN: It depends on the rate put on it. South Australia has decided not to implement it because it did not crack up to get rid of transaction —

Mr B.S. Wyatt: Out of interest—I assume Treasury does all this stuff—what would the rate be?

Dr M.D. NAHAN: I would have to go and check on that. We are not going to put a tax on family homes right now.

Mr B.S. Wyatt: No-one is, but it is an interesting conversation.

Dr M.D. NAHAN: This is the difficulty we have. South Australia had a good go at it; it broadened the base of the existing land tax—not to family homes; that was ruled out—to a wider range of land values. That is what we did, too. If the member has noticed, we have a longer tail on this issue than the last one. Therefore, a large number of people with lower value property—\$300 000, \$400 000—are paying land tax for the first time, and it is going up in very large percentages but the aggregate increase is not very large. That is the issue we face. There were three terrible taxes that were distorted in structure from where we are going now, and we chose the one with the least impacts, we thought.

I will go back to the two other issues, the first of which was why we increased land tax. I know members opposite like to say that we should have known what the goods and services tax share would be. In the last budget, member for Victoria Park, we forecast that the GST share was going to go to 35 per cent; it was actually 30 per cent. If the member looks at every budget statement or midyear —

Mr B.S. Wyatt: What is the dollar change on that?

Dr M.D. NAHAN: It is \$400 million less. It is a substantial amount of money. In every budget since 2013-14, at least, our share forecast has reduced. Indeed, I think in the budget papers—if not, I can show it to the member—I asked Treasury to put together a forecast over the forward estimates over the last years, and the real worrying issue is that not only has our share not increased in the last few years, but also the increase in the out years is even slower and shorter than we initially expected. There are always changes, owed not to the methodology but to the data parameter sets in the GST process—the fiscal equalisation—working against us. If we look at the budget in all honesty, Treasury understands this part very, very well—it models it very well; much better than the commonwealth—and GST is not coming back as quickly or as in as great an amount as we have predicted.

Mr B.S. Wyatt: What has been the main —

Dr M.D. NAHAN: There is a raft of issues, and I cannot say I am the expert on them. The lags are there.

Mr B.S. Wyatt: Obviously, you are saying—we all know about the lag—that something has changed in that you are saying the projections are now lower than expected.

Dr M.D. NAHAN: Yes.

Mr B.S. Wyatt: Why?

Dr M.D. NAHAN: There are a couple of reasons. The Commonwealth Grants Commission relies on the published Australian Bureau of Statistics data, so it is very empirical-oriented and it changes. It is all relative. One of the biggest factors is that the revenue is determined by those lags and a bunch of other factors, but the share is determined by forecast relative population growth going forward.

Mr B.S. Wyatt: Our population has come off.

Dr M.D. NAHAN: It is slowing off.

Mr B.S. Wyatt: That is having an impact.

Dr M.D. NAHAN: Yes; that is a big impact. Also, revisions to data is a big one. These revisions are not just absolute; they are relative. Our share is declining. There has also been a change to the way the Commonwealth Grants Commission includes labour costs. It, essentially, has decided to change it, for reasons I do not know. Before, because we had very high wage rates outside the urban area—particularly in the Pilbara, which is the reality—we had that taken into consideration; now, the relative wages between states is determined by the metropolitan wage only. The Commonwealth Grants Commission is not taking into consideration the differential between urban and rural wages in Western Australia. In other states that is relevant because in New South Wales and Victoria the rural wages are low; here, they have been astronomically high. Treasury argued the case and put the data forward, but the Commonwealth Grants Commission does what it wants to do.

Second are the iron ore royalties and exchange rates; the member knows all about those. But, honestly, this year in the relative forward estimates, as the budget states, our tax collection in 2016-17, relative to what we forecast in 2014-15, is 18 per cent lower. If we took away these increased taxes that we put in the budget, it would be 22 per cent. That is a massive cut in revenue. We compare it with the forward estimates and we go out and hire people in the public service or make wages commitments of various types on the basis of what we think our revenue will be in the forward estimates. To avoid a deficit in 2016-17, we would have to have been running—avoid taxes—surpluses of \$6.5 billion; up 22 per cent of total revenue expectations. That is a very big surplus. The only time I have seen it is when there were asset sales involved. What do we do when we face a decline in revenue of an unprecedented nature across the board in every source of revenue? We were hoping the GST share would come back; it is not coming back anywhere near what we hoped. We get a lump payment from the commonwealth. We have to raise taxes. We looked at taxes we have and raised the land tax.

Not for a second am I running away from the fact that people have complained; they have. I asked all Liberal-National backbenchers to send me every letter they received, and I had Treasury respond to them. I read every one. Some said the same thing, but I read them all; I have received 3 000 so far! I drove one of my young advisers nuts, and he left the office. He talked to as many people as possible who contacted the backbenchers. It has not been easy.

It is very difficult because there are at least four things going on. There are the valuations, which are lagged a year; the increments that go up; and the aggregation, which is changing all the time. There are many factors. There are valuation effects from the lag, aggregation effects, increment effects and the overall rise effect. When we put those together, the increases are large. Some years ago we capped, for each year—I am not sure whether Troy Buswell or Eric Ripper put this in; I cannot remember—the valuation effect at 25 per cent. So, if a property went up in one year over 25 per cent, it only went up to 25 per cent and then it was made up later on.

Mr B.S. Wyatt: No, it was 50 per cent, wasn't it?

Dr M.D. NAHAN: I was told it was 25 per cent. Is it 50 per cent?

Mr B.S. Wyatt: I thought it was 50 per cent, and that was Troy.

Dr M.D. NAHAN: I think it is 25 per cent now, but I will check that. I was told 25 per cent.

Mr B.S. Wyatt: No, it's still 50 per cent. I am not trying to be belligerent —

Dr M.D. NAHAN: I know.

Mr B.S. Wyatt: — but I am just simply saying that I am pretty sure it is still 50 per cent, according to the little table at the back.

Dr M.D. NAHAN: Okay.

Under Labor, when Ripper was Treasurer, Labor had, especially in those years —

Mr B.S. Wyatt: Sorry; the land value growth gap?

Dr M.D. NAHAN: Yes.

Mr B.S. Wyatt: It is 50 per cent.

Dr M.D. NAHAN: Sorry about that; it is 50 per cent, not 25 per cent.

During those years the Labor Party had particularly large increases in transaction fees; I think when you guys came into government in 2001 it was about \$500 million. It peaked at almost \$2.5 billion; that is a \$2 billion a year increase over that period of time. That culminated with very large increases in land values. I think the very last Ripper budget gave a very large, deep cut to land tax, because it was making revenue in transfer fees. At the time, not only were land values going up but also the government was getting large amounts of money from land values. We went through the boom. When we came down, land tax was being cut dramatically. I think Troy cut land tax for a couple of years in his first few budgets. We have kept it up until this last year, but we had by far the lowest land tax in the country.

I also looked at the Commonwealth Grants Commission process, which on tax revenue looks at states' ability to tax, their capacity to tax and their tax needs. In the wash-up of the system, if a state chooses to have a higher tax, it gets to keep it. If it chooses to have a lower tax effort, it affects the state's total GST. Before these increases, we were losing \$200 million a year in redistribution to GST by choosing to have the lowest land tax collections in the country. It was a double whammy: we were not raising the money and a large portion was being ripped off in the Grants Commission process. Therefore, we increased land tax. Has this put real pressure on people's ability to fund these increases? Yes. Is it forcing people to adjust their asset base? Yes. But I tell you what, if opposition members think this is hard, if they change negative gearing on a lot of these investment properties—the Labor Party is proposing to focus only on new properties—my experience of the 1980s when Paul Keating did that tells me that it would be a much more significant adjustment process. It would affect not only a large number of properties but also people's ability to recoup land tax through the tax system. A person with revenue on their property would, in some cases, try to pass that over to the lessee or the renter. If they lose money on the property, they can deduct it from their income tax on that property. If they lose on that property, other than capital, they can deduct it from other sources of income. It is a business tax. If a person has a holiday home, that is not possible because it is not income earning. This is a tax, like payroll tax and I think transfer fees on businesses, that is deductible and a person can share some of the benefits or they can offset their benefits with taxes that come along. That is the rationale we went with. In this budget we increased no taxes and introduced no taxes, and I would argue, going forward, that there will not be any more. Treasury estimates that 75 per cent of taxpayers will either get a tax reduction or have no tax change whatsoever this year. We have stabilised the system.

To answer the member for Victoria Park's question about the floor: we have had many discussions, but I do not think that the states that are recipients—South Australia and Tasmania—would tolerate the floor. It would have to be forced on them. I have raised this issue many times. One of the issues was how to pick a number—75 per cent. In four years, under current estimates, we hope to get towards 75 per cent. Put the floor in after we pass it.

Mr B.S. Wyatt: It's not after we pass it; it's after everyone passes it.

Dr M.D. NAHAN: No state has ever been below 75 per cent. No, Victoria was in 1942.

Mr B.S. Wyatt: You're not going to get agreement if people think there is an immediate sting, right?

Dr M.D. NAHAN: Yes. I put that to them at 50 per cent, because I thought next year we planned to go to 50 per cent—but we are not. I get nothing but resistance for anything that changes the principles of fiscal equalisation. We tried the floor. We tried changing the lag. We tried changing North West Shelf. But we did not get anywhere, so we tried that. Fiscal management of the state over the period—does the member want to raise the taxi issue?

The ACTING SPEAKER (Mr P. Abetz): Members, there are a few too many conversations. Can we just keep our voices down.

Dr M.D. NAHAN: I can end this quickly, if the member wants to raise the taxi issue.

Ms R. Saffioti: Yes, I do.

Dr M.D. NAHAN: Okay. Anyway, I went through and explained the issues. Have my colleagues complained to me about land tax? Yes, they have. Are we going to try to address the valuation effect? It is a 50 per cent tap and we probably will not change that. Aggregation is a fundamental part of most tax policy and applies to payroll tax and to some extent to transfer duty and land tax. It also has perverse effects when people who do not know that it exists, particularly when they move to retirement or other businesses, change their assets and get caught out. I responded to a large number of the letters that I received and asked people to please go and get themselves a financial adviser to organise their business appropriately and to get some advice. The worst ones were the doctors. God almighty, I do not know why, but they organise their businesses very poorly sometimes—that is just a statement. We will look at the aggregation effect. We said that in the party room. It is what I have said

publicly. We are not going to eliminate aggregation altogether, but we will look at some of the aggregation impacts going forward.

It was a tough decision. But with the decline we have in our revenue base, we had to do certain things to activate it. I will sit down and the member can go on to the other issue.

MR B.S. WYATT (Victoria Park) [5.36 pm] — in reply: I am surprised. Actually, I am not surprised but I will say that I am surprised that the only government speaker on this motion was the Treasurer. In the end, he had to get up and defend this motion because he is the one who increased land tax. But not one Liberal member of Parliament spoke! Where were all the government members? I keep reading in the paper—here you all are—about members who want to knock off Mr Barnett over land tax, but not one Liberal member spoke on this motion. In particular, where is the Minister for Transport, who introduced the first land tax increase bill and undermined his Treasurer’s budget in the media on Tuesday? This is an extraordinary result. I would have thought at least one Liberal member, just one, would have got up and said, “We did it. I did not think it was going to have such a dramatic impact and I regret it.” Not one Liberal member said that. The member for Mount Lawley keeps saying that in the paper. I know what he thinks, but he cannot come in here and give that speech. I know that the member for Morley has had similar comments reported in the paper; that they did know what they were doing when they applauded the Treasurer every time he increased land tax.

I am very disappointed in Liberal Party members. I know that all those supporters that members have been hearing from about this issue will also be disappointed that they did not even get to their feet and express concern on behalf of the constituents who have called them. They did not even get to their feet. I am disappointed. I think the member for Willagee made the point that we all speak with each other in the corridors. Many Liberal members have told me that they cannot believe how hard they are getting hammered in their electorate offices over this issue—people are really angry. They are angry and that is why I expected just one Liberal member—that is all I ask for—other than the Treasurer to speak on this motion. As I said, this is the Treasurer’s policy, so he had to get up and defend it. To his credit, he did. But not one Liberal MP did. I will keep making the point that Liberal members cannot have the hypocrisy of applauding the three decisions to increase land tax and then run a mile from the decisions when they get phone calls and emails. This was their chance to put on the public record that they are sorry, they had to do it for these reasons and they did not know that it would have such a dramatic impact, but, you know, they will do what they can. Not one Liberal member even said that. I think Liberal members’ supporters will remember that. This was their chance to say that perhaps they had done it too fast and that they did not take into account the economic circumstances of the time. This was their chance to do that. I for one am stunned that not one Liberal MP got up to speak in support of this motion.

Division

Question put and a division taken, the Acting Speaker (Mr P. Abetz) casting his vote with the noes, with the following result —

Ayes (18)

Ms L.L. Baker	Mr W.J. Johnston	Mr M.P. Murray	Mr P.B. Watson
Dr A.D. Buti	Mr D.J. Kelly	Mr P. Papalia	Mr B.S. Wyatt
Mr R.H. Cook	Mr F.M. Logan	Ms M.M. Quirk	Mr D.A. Templeman (<i>Teller</i>)
Ms J.M. Freeman	Mr M. McGowan	Ms R. Saffioti	
Mr R.F. Johnson	Ms S.F. McGurk	Mr P.C. Tinley	

Noes (30)

Mr P. Abetz	Mr J.H.D. Day	Mr S.K. L’Estrange	Mr D.C. Nalder
Mr F.A. Alban	Mr J.M. Francis	Mr W.R. Marmion	Mr J. Norberger
Mr C.J. Barnett	Mrs G.J. Godfrey	Mr J.E. McGrath	Mr A.J. Simpson
Mr I.M. Britza	Mr B.J. Grylls	Ms L. Mettam	Mr M.H. Taylor
Mr G.M. Castrilli	Mrs L.M. Harvey	Mr P.T. Miles	Mr T.K. Waldron
Mr V.A. Catania	Mr C.D. Hatton	Ms A.R. Mitchell	Mr A. Krsticevic (<i>Teller</i>)
Mr M.J. Cowper	Mr A.P. Jacob	Mr N.W. Morton	
Ms M.J. Davies	Dr G.G. Jacobs	Dr M.D. Nahan	

Pairs

Mrs M.H. Roberts	Ms W.M. Duncan
Mr C.J. Tallentire	Ms E. Evangel
Ms J. Farrer	Mr R.S. Love
Mr J.R. Quigley	Dr K.D. Hames

Question thus negatived.

TAXIS — INDUSTRY REFORM*Motion*

Resumed from 11 May on the following motion moved by Ms R. Saffioti —

That this house calls on the Minister for Transport to immediately address the concerns and hardship being faced by the taxi industry.

MS R. SAFFIOTI (West Swan) [5.44 pm]: I continue my contribution to the debate on the motion. This has been a confusing issue. The Minister for Transport said that he would not introduce legislation until next year, after the election. Now we understand that he will introduce legislation tomorrow, which we are all looking forward to reading, but I have concerns that parts of the taxi industry have not been consulted, particularly those who have a lot of skin in the game—the taxi plate owners. Given they had a meeting last night and they were not aware of this legislation coming forward, I would say that there may not have been significant consultation.

I want to go through this issue, because many government members always have an incredulous look on their face as if to say, “How dare you stand up and make statements of fact!” I feel for many of the participants in the industry, because they have been overlooked by this government; they are not on the Terrace and they do not have big lobby groups acting for them. The taxi industry comprises a lot of small business owners. They did not employ a fancy lobbyist and they were not in the minister’s office every week, as many other people were. As a result, I think that many of them are experiencing hardship. When we consider the time frame around this issue, I cannot believe it has taken this long to get some certainty for the industry. Every week we have seen a significant impact on many people in the industry. Members know that Uber first briefed the Minister for Transport in August or September 2014 and that in October 2014 Uber came into the marketplace. In the following year the government released a green paper. In December last year the minister put out a media release in which he said that reforms would be introduced in two stages and that details of the reform would be announced by the end of the first quarter of this year, that regulations would be introduced by 30 June this year and that legislation would be prepared for next year.

The minister said that the second stage would involve legislation. It now appears that legislation is coming into this place tomorrow, and I am looking forward to seeing its content. I find that the minister congratulates himself every time he does something, as though he shocks himself that he has done something! I find that he does that all the time, so I expect that he will be congratulating himself for bringing in some certainty after what has been two years of complete confusion in the industry, with the industry basically being ignored. The minister is there to administer and represent the taxi industry. The minister has treated these people poorly. He has treated small business people poorly. As I said, that is just because they do not have drinks with the minister on the Terrace and they do not mix in the minister’s circle; they are not part of the business community that wants the minister to be leader! Just because they are not part of the minister’s social set, they should not be treated poorly. I genuinely feel that the government has treated poorly people who have invested in this industry—an industry that the Parliament and the government of the day regulated.

I remember back in 2006 when the Labor government tried to deregulate the taxi industry through a voluntary buyback system. The Liberal Party went crazy opposing it. We proposed a voluntary buyback in which the then Minister for Planning and Infrastructure and the Labor government of the day offered a significant return for the taxi plates. It was a voluntary buyback. Parts of the industry, together with the Liberal Party, opposed that buyback. What is this government doing now? Basically, it is going to rip the value out of these plates in which many families have invested hundreds of thousands of dollars. Tomorrow, the bill needs to address a number of key issues. The first is compensation. What will the minister do? As I said, these plates have had significant value. What assistance and what transition will the minister give? This is the key point for many in the tax industry, in particular, approximately 1 000 plate owners. I have thought about the issue of compensation long and hard. As I say, I normally go through all the points of view, but many have invested in an industry in which the government created value. We can debate whether it is the right thing or the wrong thing to do, but it happened. The government created value through quotas and regulation. What will the government offer to plate owners? I have spoken to many plate owners, and some have been in the industry for a long time, but many have entered the industry recently and invested \$300 000 for plates. They spent a lot of money on those plates and they are trying to service that, so the issue of compensation is a real one. As I said, through all industry adjustment packages I have always seen pretty much industry funded compensation packages. I have seen those in many cases supplemented by the consolidated fund—when we transitioned the old-growth forests and when we transition the potato industry. Whenever there is a significant transition, we have to look at the value that the current government regulation legislation creates.

I want to go through similar issues. I understand the government is saying that taxis can keep hail-and-rank services, so they can still operate from taxi ranks and can be hailed down. My view is that that is not a real

benefit. The Uber app is just a hail mechanism; it is an electronic, not physical, system. Any idea that having access to hail and rank is somehow worth hundreds of thousands of dollars to a taxi plate owner is completely false, because the whole system has now basically been eroded and, as I said, the app creates an electronic hailing system. Also, Uber creates its own taxi ranks. I think trying to say that somehow hail and rank is worth hundreds and thousands of dollars to plate owners or drivers is actually false. I read an article, I think, yesterday, in *The West Australian* about Swan Taxis. I feel primarily for the plate owners, because they are the small businesspeople who have put their savings into or borrowed for those plates. As I said, we can all argue about the types of services that many of the dispatch services have and all that, but the reality is that the government allowed it to happen. The government created this bureaucratic, regulatory industry; that is all it did. Again, as my colleague said, I think the government is offering \$20 000 per plate, and I do not think the industry will support that.

I turn to the issue of licence fees. I do not call services like the Uber “rideshare”, because frankly they are basically taxi services. Rideshare is just sort of a hip name to give taxi services. What payment should there be to access this service? I saw a letter written to the Premier by Uber in the paper a couple of days ago rejecting the concept of a \$600 fee. Frankly, I think that is trying it on. These are the people who have operated outside regulation and, ultimately, if we look at it from a fairness point of view, what are they paying taxpayers in WA to use our roads and our infrastructure to make money? It is not about the poor little Uber drivers that they try to portray. Uber takes about 25 per cent of a driver’s income, and that goes overseas.

Mr W.J. Johnston: They do not pay GST.

Ms R. SAFFIOTI: They do not pay GST. Uber is using the roads—roads that taxpayers paid for, that mums and dads paid for—and the profits are basically being sent to a multinational company. That is what is happening here. Uber does not care about this whole idea that any fees will impact the poor driver—let us face it. I think that is a real issue and we want some fairness in the system. The other issue is security. Will there still be a requirement for one type of security in taxis and a different type of security in other cars? There are a number of key issues. Everyone is calling for a level playing field, but I suppose, like always, people have different interpretations of what a level playing field means. I think that in trying to establish a level playing field we have to look at the costs and what some parts of industry have to pay compared with others to provide a similar service. As I said, we know that Uber is here to stay, but I do not agree with what it has been doing. I do not agree with lobbying ministers directly through very prominent lobbying firms. I know we have disruptors in the economy, I understand that, but are governments now just helpless? Do they just sit there allowing overseas companies to come in and operate outside our laws and regulations? Obviously, this is where this government is at. As I said, I understand that there are new ways of delivering taxi services, but we have to look after those people who have invested in the industry. I fear that what is being proposed will not do that. Again, a party that is meant to support small businesspeople has turned its back on them. It has basically let the industry go unregulated for 18 months to two years—completely unregulated—meaning significant hardship for many plate owners and drivers. There is enormous uncertainty and, as I said, I do not think it is fair.

When New South Wales announced its reform, it implemented regulation audits at the same time. When our state government announced its changes in December last year, a couple of days after New South Wales had, it was just via media statement, and even those who were hesitant to ride a service that they thought was unregulated thought the government had deregulated it in December. The government basically deregulated the industry by stealth. It has done nothing to educate the public about the differing insurance issues, the differing safety issues and the differing security issues. Queensland has been a lot tougher and has penalised drivers who operate outside its existing legislation, so it has enforced its own laws, which is pretty radical compared with what this government has done. South Australia has also been a lot tougher in its approach.

I want to conclude my comments in relation to the Liberal Party on this issue. Many of the taxidrivers who have come to see me say they have been big supporters of their local members. Many have told me that they have heard of taxidrivers handing out how-to-vote cards for their local Liberal Party members. They are big supporters, but they have been let down by the Liberal Party members—absolutely let down. With issues such as land tax, it appears that members on the other side are comatose in the party room. I just cannot believe what ministers on that side do to their backbench and what they get away with. It would never happen under us! I look to the member for Swan Hills as an example. He is neglected and trashed, but he still comes here and toes the Liberal Party line absolutely. That is another example. I know that privately even some ministers talk to taxi plate owners and taxidrivers and tell them they feel for them and support them, and that they will raise this issue, but they have said nothing publicly. The Liberal Party has disappointed many people. Liberal members have neglected to take into account the livelihoods of people who have invested their money into an industry. Ultimately, we need a sustainable industry.

Debate adjourned, pursuant to standing orders.

Sitting suspended from 6.00 to 7.00 pm

APPROPRIATION (RECURRENT 2016–17) BILL 2016
APPROPRIATION (CAPITAL 2016–17) BILL 2016

Second Reading — Cognate Debate

Resumed from an earlier stage of the sitting.

MS J.M. FREEMAN (Mirrabooka) [7.00 pm]: Mr Acting Speaker —

[Quorum formed.]

Ms J.M. FREEMAN: No offence, member for Eyre! The member for Eyre expressed some concern about having to come in and listen to my contribution this evening!

Before the dinner suspension, I had been talking about Parenting WA. My strong view is that the Parenting WA coordinators, who are government employees, are worthwhile. The abolition of the services that are provided by Parenting WA will be detrimental to the delivery of important services in Western Australia. The 2014–15 annual report of Parenting WA outlines the success of that organisation. The report states that from 1 July 2014 to 31 July 2015, Parenting WA made a total of 8 714 service contacts with parents and organisations across the state. That is a significant number of contacts. It has been argued that there has been a reduction in the number of services provided by Parenting WA. Due to the recruitment freeze, Parenting WA has not been able to replace workers who have left, and the existing staff are doing more work. I know this because I have spoken to the parenting coordinator who covers the Mirrabooka area. She has said that because of the recruitment freeze, she now covers not only Mirrabooka, Balga, Koondoola and Nollamara but has to go right up to Joondalup. Of course, that reduces the capacity of the people who are providing these parenting services.

I want to talk also about the abolition by the state government of the Best Start program. Best Start is a statewide program. It is for Aboriginal parents and carers of young children, from babies to five years of age. I am lucky to have an Aboriginal kindy at Westminster Primary School, which is one of the schools in my electorate. That is an amazing facility. The Best Start program is operated in and around community centres and feeds into the kindys. That is very important, because otherwise we do not get the significant numbers that we need to deliver an Aboriginal kindy program.

The Best Start program is absolutely family friendly and informal, and it respects Aboriginal cultures and ways of working. Torres Strait Islander people are welcome, but it is predominantly for our Aboriginal community members, who are highly represented in my electorate. Many of them need assistance with parenting.

[Member's time extended.]

Ms J.M. FREEMAN: Parents are very much engaged with the Best Start program. They own the program, they help run the program, and they share their skills. The program is often run by Aboriginal community members and it is very inclusive. It is incorrect to make a comparison between the Best Start program and the KindiLink program, which is targeted at three-year-olds. Over the years, we have been told about the importance of connecting and being able to establish relationships for children from zero to three years old. It has an absolute impact both on wellness and a person's wellness in future years. In fact, I was at a policing forum on juvenile justice the first time I heard about the importance of the ages from zero to three and the connection that has to be made to establish the capacity to bond. Police spoke about the importance of establishing that bond because all of the theories and capacities around juvenile justice and those areas are based on the importance of the ages from zero to three years. I think cutting the Best Start program is very short-sighted. The key achievements of the Best Start program were between July 2014 and 13 March 2015. Approximately 1 152 service contacts were made with children and adults, which meant that 459 families went through the program. I think it is a tragedy that this government has chosen to cut those programs to save money, although it has spent around \$18 million on its Scarborough project. I do not doubt that it is a great project, but it should not be at the cost of deliverable services to our community that assist our children and their parents to deliver the best outcomes for our families. This government has really taken a regressive step.

At the same time, the poor old Department of Local Government and Communities continues to be gutted, and the government will undermine not-for-profit organisations. The government is now saying that not-for-profits and non-government organisations can deliver services, but, at the same time, a lot of the operations will be undermined, such as Neighbourhood House, by ceasing the subsidisation of community organisations' accommodation. The Minister for Community Services came out to Sudbury Community House in Mirrabooka during the Linkwest Neighbourhood House volunteers' week to say how fantastic these organisations are and how great they are for the community. The minister stood up and said how great they are and how vital the services they deliver are to the community to make sure people feel included and have the best possible start with children and as parents and do not have issues around isolation as people age. Neighbourhood House delivers all sorts of things, including language services, and services for people at risk. People also go there after serving sentences to be able to work and re-enter communities. The minister knew when he was singing its praises that he was going to gut it; he was going to undermine its capacity to operate by undermining the fact that

the facility, which is a Department of Local Government and Communities facility, was no longer going to be provided at a subsidised rate. It owns the building already; it is a purpose-built building for Neighbourhood House and somebody has to use it. The government will try to send services there and it will tell the organisation to use less money and to pay more to government as well.

These cuts are occurring at a time that services to assist people who are less fortunate than us are also being cut. Access to legal services is under massive attack, which is illustrated by the Legal Aid Matters campaign. It aims to improve access to justice for some of our society's most vulnerable members. A 32.2 per cent cut was made in federal funding to Community Legal Centres in Western Australia by the federal Attorney-General. Now, funding is also being reduced from the Public Purposes Trust to some of the community legal centres that offer legal aid. It is the only legal aid available to people in areas such as Midland. The member for Mandurah should be checking that Mandurah has not had cuts. What is worse is that at the same time there has been a \$4 million reduction in the rental accommodation account, because this government came in and looted it to run the Magistrates Court and pay for the introduction of the residential tenancies legislation. That will have a detrimental impact on the delivery of assistance to tenants in need.

This is all happening in an environment of increasing unemployment or underemployment. The *Economic and Fiscal Outlook* states —

... growth is being entirely underpinned by part-time hiring, which increased by 4.5% (or 17,655 persons) in annual terms to March, while full-time employment fell by 0.9% (or 8,702 persons) ...

Effectively, while Western Australia crows about its employment rate being whatever it is—it is certainly not that in the area of Mirrabooka–Balga—and that it is sitting second lowest in Australia, it is being propped up by people being underemployed. They are working part time and are only just managing. The *Economic and Fiscal Outlook* states —

Increased spare capacity in the labour market is also reflected in the underemployment rate, which rose to 9.1% in the three months to February 2016, indicating that a larger portion of the State's workforce would prefer to work more hours.

People want to work more hours. This *Economic and Fiscal Outlook* does not paint a rosy picture. It further states —

... internet job vacancies in Western Australia have declined steeply over recent months

The *Economic and Fiscal Outlook* forecasts a further increase in unemployment to 6.25 per cent in 2015–16, and 6.75 per cent in 2016–17. That will have a devastating effect in Mirrabooka–Balga, where it is currently running at way above that unemployment rate. It is really interesting that new figures will be released tomorrow. The wage price index released today was at an 18-year low, so people are doing it tough out there. It is interesting to note that the Roy Morgan research released on 9 May 2016, after an unemployment assessment was carried out, has the unemployment rate in Australia running some five per cent higher than the ABS figure, at 10.4 per cent. The 6.25 per cent and the 6.75 per cent shown in the *Economic and Fiscal Outlook* are not the true unemployment figures for our community.

I can tell members what that looks like because of someone such as Chris whom I saw at the IGA store. I recently spoke about him in this house. I was at the IGA getting some provisions for my household when he came up to me and said he was still looking for work, 18 months out. He had just been in again to check with the owners whether anything was available. He has been trained to do stores work, has worked previously and is still looking for work.

I remind members of my grievance on youth employment from last Thursday. I said —

The December 2015 unemployment figures illustrate this. One in four people are now unemployed in the Mirrabooka–Balga area. There are 2 445 people looking for work in those two suburbs. That is an increase of 848 from September 2014, ... the rate is overwhelmingly made up of young people ... youth unemployment has now hit a high of 16.4 per cent in the Perth–north west zone—the highest in Western Australia. It is now higher than when the Brotherhood of St Laurence document “Australia's Youth Unemployment Hotspots Snapshot” reported it as being 14.5 per cent in the January 2016 figures, ...

... [the] Mirrabooka–Balga area, which has a 24.3 per cent unemployment rate. The unemployment rate in Nollamara–Westminster is 12.5 per cent and it is 16.4 per cent in the Alexander Heights–Koondoola area.

Maybe if I said to the government, “Oh my goodness, geoscientists are saying that they're suffering an underemployment rate of 23.4 per cent and an unemployment rate of 16 per cent”, it might care, because it does not seem to care enough about these outrageous figures for the Mirrabooka–Balga area. I have said in this place

that the Mirrabooka electorate has a mean age of 31 years—five years younger than the average of 36 years. These are young people doing it tough. The response of the Minister for Youth to my grievance was, “Join Scouts Australia, work for free, live in the regions or wait until the economy improves.” It was appalling. He did not even give the Mirrabooka–Balga area the respect of standing up for the fully allotted seven minutes of a grievance; he sat before five minutes was even up. He stood and said, “I can see it is a really important issue”, but he gave nothing other than to say that young people could join the scouts, work for free, live in the regions or wait for better times. The Liberals have no plan for youth unemployment in this state and no plan for the thousands of unemployed affected by the downturn. The Liberals have no plan for jobs. Indeed, we have seen cuts of \$53 million from the training budget. With another four per cent increase in fees, there has been an increase of 513 per cent since 2013, an 18.9 per cent decrease in the number of apprenticeships and a 26.3 per cent decrease in the number of traineeships.

Thankfully, WA Labor has a plan for jobs that will provide pathways for young people to a long-term career. It does not just take a human capital approach to employment whereby everyone is treated the same and say that education is the process, because education is not useful unless jobs are available. The government cannot just say that it will educate without providing the jobs and the capacity to get those jobs.

Lisa Denny and Brendan Churchill point out in *The Conversation* article —

Youth policy in Australia has become synonymous with education and training policy, overly focused on young people making a series of linear transitions from schooling to post-school qualifications and finally to the full time labour market.

They go on to say —

Efforts to address youth unemployment have focused on skill deficiencies, work ethic and the education system producing job-ready workers. The reality is that poor economic performance and high levels of skilled migration are standing in the way of young Australians entering the labour market for the first time.

They call on governments to put youth at the forefront of policy making, and I call on this government to do that too. We have to respond to the need for jobs for youth in this state. It is a critical need at this time. If we win government, WA Labor has committed to require all major government construction projects to create new job opportunities. If elected, WA Labor will expand the Priority Start policy and enact a skilled local jobs bill to ensure that the wealth of Western Australian industries advantages Western Australian workers through local content.

Thank goodness WA Labor is taking this seriously. Thank goodness WA Labor wants to focus on jobs, because, frankly, there is silence from those on the other side of the chamber. The Minister for Youth did not even have the respect to stand for the full seven minutes and address any of the issues around youth unemployment. The youth minister is derelict in his duties. He has gutted his department and he will not respond to youth unemployment. I hope someone does.

MS J. FARRER (Kimberley) [7.17 pm]: I rise to speak on the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016. I would like to take the opportunity to remind Parliament about the Kimberley and its people. My electorate is twice the size of Victoria and very far away from where I stand now. Although my office seems far off and distant, it is my home and I proudly represent everyone in it. We are doing it tough and people are suffering due to Barnett’s broken promises. People have honestly had enough of this government. We are sick of being ignored. The Premier’s broken promises on the delivery of infrastructure, jobs, training, better health outcomes and quality education are crippling our entire state.

As members, we see people suffering due to increases in the cost of living in the Kimberley. The cost of food, electricity, water, sewerage, motor vehicle charges, stamp duty and other basics has always been more expensive in the Kimberley than in other parts of the state. Families are already doing it tough and the Barnett government is making it worse. Imagine people living in houses with no electricity faced with 38-degree heat daily because they simply cannot afford to pay their power bills. It is cruel, and I applaud Labor’s call for Horizon Power to be investigated. Families in the Kimberley have reported to me rises of 400 per cent in their power bills compared with the same period last year. The vast majority of residents in the Kimberley do not even have the option of converting to solar power because this government refuses to invest in cleaner, smarter and more affordable power solutions in regional Western Australia. Northern Australia has the best conditions in the world to adopt high-scale solar power and we should be leading the way by providing long-term sustainable energy solutions at a low price to all. The government needs to change the current regulations prohibiting my electorate from maximising the availability and use of solar power and provide rebates and funding to ensure that this happens easily. The Kimberley needs relief urgently.

Public sector workers in the Kimberley, Pilbara, Karratha and Dampier previously received a district allowance to account for the much higher cost of living in the north west. This government has dramatically cut the allowance, affecting many thousands of workers, and has caused them to leave the regions completely. This has,

in turn, negatively affected the local economy in my electorate. It is always sad to see people who are active members of the community leave because they cannot afford to live in the Kimberley. We need to offer people an incentive to live and work in the Kimberley long term.

Broome: The Broome community has worked for many years on a plan for better Broome boating facilities and a world-class marina. This could provide an incentive for skilled workers to remain in the region, provide increased local employment and business opportunities and really enhance Broome and the Kimberley as a world-class tourism destination that is able to cater for the needs of its visitors. I urge this government to invest in our regions.

Chinatown: A few years ago \$50 million of committed funds to provide necessary safe boating facilities were ripped away from the Broome community. We see the same thing happening again with the \$10 million allocated in the previous budget to Broome's Chinatown redevelopment. The government has scratched that! How can the Minister for Tourism expect to be taken seriously when he does nothing to support the enhancement of one of the most beautiful and recognised tourist locations in Western Australia?

Homelessness: Broome is destined to become a regional city of Western Australia, an iconic tourism hub, yet signs of homelessness and displacements are frequently in the media spotlight. I listened this afternoon to the speech of the member for Vasse about the wonderful developments in her electorate. We have homeless people up in the Kimberley, and maybe we should bring some of those people down here so that they can share in the development that is happening in Vasse.

Mr W.J. Johnston: Millions of dollars are taken from Lotterywest.

Ms J. FARRER: Yes.

I have raised this issue many times with a number of ministers, including the Premier, and still this government has provided no leadership. We should not have masses of people living in parks, ovals or mangroves. It is a disgrace and dangerous for the people involved. The manager of the Broome Visitor Centre, which is located on Male Oval in the town centre, is at his wit's end and says that he fears daily for his safety and that of his staff. I call on this government to show leadership on this issue and resolve this appalling situation by providing safe accommodation for people in my electorate and to address the ongoing antisocial issues experienced by the Broome Visitor Centre staff.

The Healthy Welfare Card has recently been introduced in my electorate, and although I understand the intention, the delivery is appalling. I have received many complaints already from angered residents confused about the card and why they were forced to go on it. I would be interested to learn how many non-Aboriginal people have been included as recipients of the Healthy Welfare Card.

The Takeaway Alcohol Management System is something that I believe is valuable in the East Kimberley as it forces photo identification requirements at the purchase of alcohol and also limits the quantity of alcohol that one person is able to purchase in 24 hours. I would like to see the TAMS trial extended to Broome and Derby and I ask that the government commence discussions with big businesses such as Coles and Woolworths to come on board. I feel this would greatly improve the situation of antisocial behaviour on Male Oval, amongst other things.

Drugs and alcohol are huge negative influences in the Kimberley and we must all collectively act now if we are to prevent future generations repeating addictive cycles.

Youth justice: The Kimberley has a very young population and I am determined to see more programs, services and opportunities provided throughout the region to meet their needs. Youth justice is something I am very passionate about. Many members will remember that in September 2014 I tabled a report that included 19 recommendations for what this government should do to invest in alternative youth justice measures. The current process does not work and we should be utilising existing culturally appropriate programs located in the Kimberley to break negative reoffending behaviour.

I know that the Kimberley regional youth justice services are currently, and have been for a long time now, understaffed and under-resourced. The government is fully aware of the seriousness of this ongoing issue, but it has chosen to cut funding anyway.

Kimberley TAFE: The lack of investment from the Liberal-National government in the Kimberley continues. This government has destroyed Kimberley TAFE.

Mrs L.M. Harvey: How?

Ms J. FARRER: Yes, it has. The regional director, who did an outstanding job, was given a heartless one week's notice that she was out of a job due to the amalgamation of Kimberley and Pilbara TAFEs. I do not know whether members know how far they are from each other. Countless others, including TAFE Aboriginal mentors, are losing their jobs throughout the region. This will negatively affect all students and I truly fear for the future of training and workplace development within my electorate.

With the cuts to the Regional Youth Justice Strategy and the Kimberley TAFE and no increased funding for drug and alcohol rehabilitation or investment in existing youth centres, I ask this government what plans it has to deal with the inevitable crisis in the north. The government should be ashamed of this budget, which does absolutely nothing to assist people living in regional areas or even attempt to improve the lives of those people most disadvantaged in our state, a large majority of whom live in my backyard.

In closing, I want to raise another issue of critical importance to the people of the Kimberley and my people of the various Indigenous nations of that area—that is, the threat by the Barnett government to close remote communities. This threat has still not gone away. Despite the assurance by the Minister for Regional Development and the Premier to look at the issue of maintenance and support of our small to medium communities, nothing has been said or committed to. My people are asking me on a regular basis what is happening to their communities. They ask whether their communities are going to survive and whether they will be supported. What can I tell them? The Barnett and Abbott governments created big trouble for Indigenous communities when they walked away from a funding arrangement that had been in place since 1967. The threats to close down our communities left people worried and upset, and nothing has been done since to provide assurance to these people. I am calling tonight for the federal government to reverse the mean-spirited and downright racist funding cut by former Prime Minister Tony Abbott to Indigenous communities in Western Australia. This federal election should include recognition of what has been done to Aboriginal people and communities in the name of budget funding cuts. The federal government is still responsible for Indigenous policy and funding and this must include the support of our small to medium communities where Aboriginal people have chosen to live and look after their traditional lands. As we know, \$40 million a year has been allocated through federal funding, and it will run out in July this year.

Whoever wins the federal election on 2 July, the next government must commit to returning the funding to our communities. If this does not happen, I call on the Minister for Regional Development and the Premier to allocate from WA's royalties for regions program the annual funding that had been cut by the Abbott government. Whose land are these royalties being created from? Aboriginal lands, of course. As the member for Kimberley and a representative of my people and the Gidja nation, I call on the Barnett government to commit to the survival of our remote communities, big and small, and an assurance that the funding of these communities will be met from royalties for regions. If this is not done, it will clearly show that the National Party and the Liberals are interested in funding and supporting only the wheatbelt and country towns that they determine should survive, and these clearly are not majority Indigenous communities.

MS L.L. BAKER (Maylands) [7.28 pm]: I rise tonight to speak on the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016, and on a particular issue on which the Barnett government could still make a significant difference in our community. I speak tonight on the failures to date of this government to resolve an embarrassing blemish on our moral obligations to a community that I care deeply about. We made history in this Legislative Assembly last year by carrying a motion recommending a vote for marriage equality in the federal Parliament, but the Western Australian government has missed an opportunity to address inequality at the state level. The state government has failed to take action to address the wrongs which we as a society committed and which some in the lesbian, gay, bisexual, transgender and intersexual, or LGBTI, community still live with today. I am talking about the unfair, and unfortunately often legal, targeting of gay men by the Western Australian legislature, courts and police. I am talking about convictions of adult gay men before 1990 for having relationships, including sexual relationships, with other men. It is pretty amazing to think that that was not that long ago—that it was a chargeable offence for two consenting adults to have sex with each other in our state. It is even more incredible to know that we have let these convictions remain and have done nothing to make up for the wrongs we have done collectively as a society to these men. Individuals in the LGBTI community still bear the burden of the recent era when it was illegal to have consensual gay sex, because their convictions and memories of mistreatment still follow them. Today, although the laws have changed since 1990, these men continue to live with criminal convictions because of this government's refusal to act to expunge these convictions or to make it possible. The men have been taunted by past governments and now this current Liberal government's blatant disregard for the situation. It is clear to us that there is really no debate on this issue. There are only two choices for the government to make: to continue the current Liberal government's neglectful disinterest in these people's pain or to do the right thing, apologise and wipe their records clean.

Before going into detail on the case for a state apology and the need to clear this travesty against our LGBTI community, I want to acknowledge the contributions that important community groups have made and continue to make in fighting for equality in this movement. As I speak here tonight, I note that WA Rainbow Labor members are in the gallery with us, having made a couple of false starts—I thought I was on a bit earlier this evening. They have managed to stay up late and come in to be in the gallery tonight representing Rainbow Labor. I want to recognise the support of Rainbow Labor members and the diligence they show towards keeping Labor's priorities focused at the heart of the matter when it comes to LGBTI rights. Rainbow Labor has been instrumental in shaping Labor's fight for marriage equality federally. Rainbow Labor

has played an important role in highlighting to those of us in state Parliament the urgent need to bring Western Australia up to speed with the rest of the world in addressing discrimination against the LGBTI community. Currently, Rainbow Labor is circulating a petition on this very issue, which I would like to talk about tonight—the need to erase convictions of those who were targeted by historic Western Australian legislation for their own homosexuality. Labor has at the heart of its policies the very people we work so hard to protect, and we have a strong record in fighting for LGBTI equality across state and federal governments. It is important that I acknowledge the vital work community groups and organisations like Living Proud, Pride and the former Out in Perth have done to support the rights of LGBTI individuals in this state.

The state government's failure to provide an adequate safety net for the particular challenges faced by the LGBTI community in WA has made these community groups have to step up and put in a 100 per cent effort on tiny budgets and mostly volunteer time to make sure that our LGBTI elderly, families and children are not left on their own. In Maylands, my electorate, Umbrella Multicultural Community Care Services provides culturally appropriate and identity sensitive care to elderly members of the LGBTI community as part of the aged-care services it offers to the multicultural community more broadly. It is a fantastic organisation with dedicated staff and volunteers, and, as the local member, I am honoured to support it, as it is based in Guildford in my electorate. Playgroups with Pride is a new but thriving community organisation, with I think at last count 300 members, that provides important support work for LGBTI families in the metropolitan area. I am very privileged to have been able to attend several Playgroups with Pride meetings, and it is a most fantastic environment with some wonderful people, and happy, bright children having a wonderful time. Having the privilege of representing these two community organisations as their local member of Parliament has been immeasurably valuable for keeping in touch with the lesbian, gay, bisexual, transgender and intersex community, understanding the people who are marginalised and taking part in the movement for equality in our communities.

I ask members to turn their attention to an issue I care deeply about and urge members to listen with open hearts. Let us go back to 1973. Meet Bill. Bill's story is hypothetical, but it provides an example of the stories of injustice.

Mr J.M. Francis interjected.

Ms L.L. BAKER: Not this Bill; I hasten to add it is not Bill Marmion. This is a hypothetical Bill, but good timing.

Several members interjected.

Ms L.L. BAKER: The secret of comedy is timing.

The ACTING SPEAKER (Mr N.W. Morton): Thank you, members! I think we have established his name.

Ms L.L. BAKER: Meet Bill. Bill's story is hypothetical but provides a good example of some of the injustices gay men faced back then. In 1973, Bill was married and had three children and he was the breadwinner of the family. After work one day, he headed into town for a few drinks at a local club with work colleagues. Bill did not know that this club would be targeted that night by WA Police in pursuit of gay men. Bill is identified as one of these men. He is strip-searched and treated roughly with no dignity or respect. He is humiliated by officers who call him worthless and a blight on society, and other horrible insults that I will not put in *Hansard*. Bill is charged with and convicted of public indecency and other sex crimes. The story makes the media as part of the government's big crackdown on immorality. Bill loses his job. His wife and children leave him. His elderly parents disown him. Bill ends up without a home, a family or a career. He has a lasting conviction on his record for a sex crime. He is tarred with the same brush as paedophiles and considered to be the lowest of society. He cannot find work; he cannot travel overseas to escape his record. Thoroughly beaten down by this conviction, he turns to alcohol. I understand Bill's story has been the legacy for hundreds of men in WA; some of these men now wear their convictions for homosexuality as a badge of pride because they know that they were not wrong to express their love or sexuality. However, this does not negate our responsibility as a society to do our part to help us all collectively move on from this era of blatant discrimination and treatment.

Currently, the Western Australian government has done a disservice to people like Bill who were convicted of sex and public indecency crimes by failing to issue a formal apology for these injustices and by lagging behind other precedents set by other Australian states and territories through expunging these records at an earlier time. It is difficult to know how many men were targeted for arrest in Western Australia back then because of their homosexuality, given that the crimes at the time would likely have fallen under a variety of different categories, from gross indecency to carnal knowledge against the order of nature and, more recently, a higher age of consent for homosexual sex. Few records demonstrate how many men were convicted for homosexuality prior to 1990, but it is thought that hundreds of men could have fallen victim to this institutionalised discrimination that criminalised homosexuality.

Most of the men convicted of homosexuality crimes under the Western Australian Criminal Code would now be aged in their seventies or eighties. Some as young as 50 or 60 may still be living with the effects of these

convictions today. Those convicted would have lived with lasting consequences from their arrest, charge and conviction. More than the trauma of the circumstances of the arrest, and the exposure and public shaming of going through the judicial process, those with convictions would have faced ongoing challenges for decades to come. Their conviction would have proven a significant barrier to travel, volunteering or employment. I have heard that one man was so worried about his conviction being discovered by employers during a police clearance check that he ended up staying in the same job for decades. The Criminal Code set up a system of discrimination against gay men and encouraged police to use prejudice and blackmail to effectively torment men in the LGBTI community during these times.

[Member's time extended.]

Ms L.L. BAKER: It is well-known that in the 1960s and 1970s Western Australia Police used sting operations, undercover officers and entrapment to coerce and trick men into compromising situations, leading to their arrest and eventual convictions. A 1991 Australian Institute of Criminology report into homosexual law reform in Australia mentions the following as common practice across state police tactics at the time —

In gathering evidence for prosecutions for offences by homosexuals in public places, police have been known to use decoys or agents provocateurs in a method known as 'entrapment'.

...

Most of the cases have made use of a young, stylishly dressed officer purporting to be available for casual liaison.

In its conversations with homosexual men, the Australian Federation of AIDS Organisations alleges that prior to decriminalisation, police in Western Australia adopted similar tactics.

In 2014 WA today interviewed an elderly man who was living in Western Australia as a young gay man in the 60s. He reported that police raids on clubs and arrests of men congregating in parks were commonplace. For example, he said that police would routinely order everyone out of The Roo on the Roof in Fremantle, fill a police wagon with the most "gay" looking men and keep them in the lockup overnight for being drunk and disorderly.

I have also been made aware from talking to members of the LGBTI community in my electorate that police would often target high-profile men in the entertainment industry, television personalities and the like and use blackmail against them with a threat that their careers would be ruined if they were exposed for homosexuality.

Western Australia is one of the last states in Australia to decriminalise homosexuality with the Criminal Code 1913 Law Reform (Decriminalisation of Sodomy) Act 1989. We are now the only remaining Australian state that is yet to completely clear the records of these men. Many in our community worry that WA's legacy on doing right by the LGBTI community has fallen behind in recent years. Indeed, Victoria, New South Wales, South Australia and the ACT have already expunged these convictions or similar, with Tasmania set to pass legislation as well as issue an apology to those convicted and their families later this year. Even David Cameron's conservative government in Britain has passed similar laws, which have allowed an estimated 16 000 convictions to be wiped from police records. I argue that it is not too late to address the issue and right these things.

We should be amending legislation that makes it possible for these men and their families to fully expunge or effectively erase any conviction for homosexuality that would not stand up in court today. I also put forward the suggestion that like Tasmania, Western Australia in particular should be making an apology to the victims of our past misguided criminalisation of homosexuality. Particularly in the case of those not still surviving, we should be apologising to their families for the pain and suffering that may have been caused to these men by past wrongs. The Attorney General, representing the Western Australian Liberal government, has stood by an excuse that there is no need to expunge the historical convictions of these men. He reasons that a spent conviction is apology enough. However, applying to have these convictions spent does not erase them from the public record, as recent examples in the media would be testament to; nor does it ensure that the conviction is not brought up against a person when applying for work or dealing with the criminal system. I just note the following situations. It is not a full list, according to Legal Aid Western Australia, when a person with a spent conviction will still have to declare their conviction and provide details. They are dot points so I will just whiz through a few of them.

The dot points read —

- being considered by the Prisoners Review Board, the Supervised Release Review Board or Mentally Impaired Accused Review Board being considered for appointment as a Justice of the Peace
- being considered for appointment as a police constable, police auxiliary officer, special constable, Aboriginal police liaison officer or police cadet

- being appointed or considered for appointment by the police to a position where the duties require or may require the provision of services or to deal in any manner, with persons not of full legal capacity
- being considered for employment as a prison officer
- holding or applying to be issued with a permit to do high level security work under the *Prisons Act 1981* (WA)
- being considered for employment under the *Gold Corporation Act 1987* (WA)
- being considered for the grant of a licence as a casino key employee or casino employee under the *Casino Control (Burswood Island) (Licensing of Employees) Regulations 1985* (WA)
- holding a licence or permit or applying for renewal of a licence or permit as a security agent, security officer, security consultant, or security installer under the *Security and Related Activities (Control) Act 1996* (WA)
- applying for the issue of a licence under the *Firearms Act 1973* (WA)
- being considered for employment or a contract for work involving assessing, reporting about or classifying prisoners

The list goes on. I could read through at least another 10, but given the time, I will skip them. In other words, being convicted of homosexuality prior to 1990 currently bars those men still from fair consideration without prejudice in many and varied situations. Even if those people were successful in attaining a spent conviction, a person convicted of a crime relating to their homosexuality prior to 1990 would likely have been unfairly discriminated against when applying to work with children in schools, for the police or for various departments because of their sexual orientation. I say to our Attorney General, the state government and the Assembly that a spent conviction is a poor attempt at apologising for the world of pain bestowed on those men. The only fair means that we have of coming close to undoing those past wrongs would be to allow those men and their families to apply for their convictions to be fully expunged. Only expunging those convictions will seal the record and ensure as best as is currently possible in the Western Australian legal system that further discrimination does not occur. I propose that those with a historical conviction for an offence relating to homosexual acts could apply to have their conviction expunged so long as that offence is no longer deemed a crime under our current legislation.

Mr C.J. Barnett: So are you saying that expunging should be on application by the individual?

Ms L.L. BAKER: Yes, by the individual.

Mr C.J. Barnett: Because some would prefer not to do it.

Ms L.L. BAKER: Yes, that is correct, Premier.

The application for expungement would then be reviewed to ensure that it is related to consensual sex with a person of legal age and is eligible for expungement. Provided the offence is no longer a crime under existing law, the record will be permanently sealed—effectively cleared from the record. Convictions for non-consensual sex or sex with a minor would not be expunged.

Indeed, even expunging valid convictions cannot undo the harm that has already fallen on those men—the prejudices they have faced over the course of decades. I think everyone with a heart will agree that the best thing we can do, in addition to officially allowing those convictions to be expunged, is to simply apologise. For some, particularly elderly men, the option to expunge these convictions may come too late; many of those who were convicted kept it secret and suffered mental health issues as a result. The least we can do is to now give the opportunity to their families to wipe the slate clean. I think we should apologise to those men for the circumstances and often poor treatment many of them faced initially when the WA state government, acting through its police force, coerced, tricked, entrapped and fooled those men into being charged with offences relating to their homosexuality. We should be apologising to those men for the punishment they endured at the hands of the state justice system at the time—the fines, the time spent in state prisons—all because they dared to express homosexuality at a time when it was deemed illegal. We should apologise to these men for the indignity, the embarrassment, the witch-hunt and the public shaming that became the by-product of our convicting them as criminals because of their sexual orientation.

Lastly, for those who are no longer with us, we should apologise to their families for the pain that we as a society have caused them. We were wrong. We did harm and for this we should apologise. After it was announced that the Tasmanian Parliament would proceed this year with an official apology and legislation to expunge historical convictions for homosexual sex, the Tasmanian Human Rights Commissioner, Tim Wilson, commented by saying that “consensual sexual activity between two people of the same gender should never have been a crime”. He went on to say that “offering an apology is a fundamentally decent act” and, coupled with expunging, an apology goes a long way towards recognising the “harm caused when government seeks to penalise people for being who they are”.

I close my speech tonight and put the focus back on real people—people whom this government has continued to sideline and ignore in its mashup of confusing priorities and focus on big spending. We must make sure that we never again institutionalise discrimination in the same way. We must acknowledge our past mistakes and apologise to those who were deemed convicted criminals because of their sexual orientation. The Western Australian government must issue a public apology to the families of those convicted under the archaic sex and indecency laws and draft legislation to expunge the records of people convicted under the same archaic sex and indecency laws.

Before I sit down, I would like to thank Rachael Macey for her research and compilation of a lot of the speech I have just had the privilege of reading. She has done an outstanding job, helped by Rainbow Labor and many people in the community who have come together to also voice their concern and to call on the state government to take action to correct this dreadful wrong.

MR P. ABETZ (Southern River) [7.52 pm]: I could address many good things in the budget, but I would like to address the funding that the government has set aside to help fight the scourge of methamphetamine in our community through a comprehensive strategy led by the Mental Health Commission, in addition to resources and support provided by other agencies, including the Department of Corrective Services and WA Police.

The rate of the use of methamphetamine in our Western Australian community by people aged over 14 is said to be 3.8 per cent, which is well above the national average of 2.1 per cent, which, in itself, is far too high. We read daily about the impact that drugs are having on crime and mental health. Many are saying that the war against drugs and methamphetamine is unwinnable. As the Premier rightly recently pointed out when he addressed the Western Australian Council of Social Service, it is all but impossible to stop the supply of these drugs into Western Australia. I certainly concur that if we simply keep attacking the supply side of the equation, we will never win the war on drugs. We need to address the demand side as well. I would like to see one thing on the supply side change. I became aware of this the other night when I went out on a night patrol of Gosnells with the community policing team. We went past a so-called drug house. Each time we drove past, a car would pull out of the place. The police would pull the car over and search it and, sure enough, drugs were in the car. The police said that they had raided that house numerous times but each time they found only a small amount of drugs, which was not sufficient to convict the person of dealing. I think perhaps when police apprehend six or so people within a week who have just left a place and got drugs from it, the supplier should be able to be convicted of drug dealing. I think there is room for improving the legislation to deal with that. There was a sense of frustration on the police side that they can keep doing this, but it is not always easy to get a conviction for dealing drugs, whereas clearly this person was a dealer who was well known to police.

Back to attacking the demand side of the methamphetamine equation: when I was in Sweden as a member of the Education and Health Standing Committee, I found their approach to dealing with illicit drugs fascinating. Leading up to 1984, Sweden had the highest illicit drug use in the western world. Sweden realised that if it continued down that path, its health system would hit the wall. In 1984, the legislation changed so that it became an offence to be under the influence of an illicit substance. Basically, if a teacher sees that a kid is stoned, or a university lecturer or a policeman on the street sees someone they believe is under the influence of an illicit substance, they can be arrested, but the police do not take them to a police station; they take them to a government-run rehab-testing facility. Once there, if the person tests positive, they are given a choice. They can either stay and do rehab, and in that case they will not have a criminal record; or, if they do not want to stay in rehab, that is fine, they go with the police but they will end up with a criminal record and they can never work in the public service, et cetera. Ninety-seven per cent of people brought to those rehab centres actually opt to undertake rehab. Seventy per cent of those people never ever come in touch with the legal system again over a drugs issue. In other words, it is a very effective rehab system. It seems that the crunch in being tested and, in a sense, being exposed as a user of illicit drugs is sufficient motivation for them to pursue rehabilitation. If they test positive at any point while in rehab, they enter the legal system. That provides a real incentive to stay clean.

For those members who are interested, the United Nations Office on Drugs and Crime issued a 98-page document in February 2007 entitled “Sweden’s Successful Drug Policy: A Review of the Evidence”. It is well worth reading. If Western Australia moved to that approach in dealing with drugs in our community, the incidence of drug use would not drop overnight but it would see a gradual decline. Sweden today has the lowest illicit drug use rate in the western world.

I also believe there is room for reducing demand through appropriate education programs. Again, an education program will not change things overnight, but our education program on smoking resulted in roughly 50 per cent of the Western Australian population over the age of 14 smoking, dropping down to 14 per cent. In the 1960s none of us would have heard a young child telling mum or dad off for smoking. Today, it often happens that kids tell dad or mum, or uncle so-and-so that they should not smoke because it will kill them. There has been a whole culture change. I think from year 4 onwards an appropriate education program would impress on children the folly of taking drugs. It would be most helpful to teach them, in an age-appropriate way, the damaging effects of drugs.

It is interesting that of the thousands of addicts who have been treated by the Fresh Start Recovery program here in Perth, half of them began their addiction in their mid-teens, as 13 and 14-year-olds. We need to get the message out to these kids that it is not okay to take illicit drugs. We also need to get the message out that it is not okay to drink alcohol. For a young brain, alcohol is still very damaging. When I was on the Education and Health Standing Committee, we conducted an inquiry into drugs and alcohol. The research is very clear that the developing brain is damaged by even small amounts of alcohol. In fact there is good scientific evidence to show that girls should not drink alcohol before 21 and boys not before about 24 or 25 years of age because that is the age when their brains mature and therefore they are not so affected.

It is a fact that in the current environment our kids will be offered drugs at some stage in their school or work career. We need to teach them that saying no to drugs is the only sensible choice. If young people do not touch drugs before 18 years of age, even if they become addicted after that age, the evidence is very clear that they have much better recovery rates because they have completed their basic education. Young people generally still have a good connection with family, which is so important for recovery. In order for an education program to have an impact, it needs to be funded not just for a couple of years but for at least 10 years. We do not want an education program to have just a little impact. We want to bring about a cultural change to drug use, in the same way as we have been able to bring about a cultural change in the community attitude towards smoking.

I absolutely detest the term “recreational drug use.” We need to get rid of that term. I am not sure how we can do that. There is no such thing as recreational drug use. The reason these substances are illicit is because they are dangerous. There is simply no safe way to take an illicit substance. I would love to see the media ban the term “recreational drug use”. All too often, harm minimisation programs use the term “recreational drug use”. I believe that sends the wrong message and should not be used.

I turn now to rehabilitation services. Some very good rehabilitation services are available in our state. Teen Challenge has been operating for many years in Esperance. It also has a facility in Warwick at which it can interact with people. Shalom House Rehabilitation Centre has been in the media in recent times. We need to invest in helping people who are drug addicted to become drug free.

The government has invested in the court diversion program. I understand that some 90 per cent of the funding for people who are diverted from the courts to rehab is provided by the commonwealth, and it is administered by the state Drug and Alcohol Office. Palmerston Association Inc has 29 rehab beds. Cyrenian House has 80 rehab beds, 40 for females and 40 for males. The Rick Hammersley Centre Therapeutic Community has 40 rehab beds, for males or females, and 14 houses for people with children. They are great facilities, and those organisations do a great job.

We read in the papers that there are waiting lists for people to get into rehab facilities. Although some rehab facilities have waiting lists, Fresh Start Recovery Programme did not have a waiting list until very recently. I first came across Fresh Start in the mid-1990s when I was approached to run a drug rehab support group in the southern suburbs. I did some training for that, and I ran that group for four or five years. That certainly taught me a lot about drug issues. I have seen Fresh Start grow from the early days, from when people took naltrexone tablets every day, to when Dr O’Neil developed naltrexone implants. The early implants gave six weeks of protection. They now give six months of protection for cravings and up to 12 months of protection from overdose. To explain how naltrexone works, above two nanograms of naltrexone per millilitre in the blood will block cravings, and 0.5 nanograms of naltrexone per millilitre in the blood will provide overdose protection.

In the past two years, there has been a 350 per cent increase in the number of men seeking long-term residential recovery at Fresh Start. That has led to Fresh Start having a waiting list for the first time. Last year, Fresh Start provided 80 000 occasions of service. Fresh Start has purchased an 85-acre property just north of Northam called The Hills, and when that property comes on stream, that will likely rise to over 100 000 occasions of service. The Hills property will increase the capacity of Fresh Start by 96 rehab beds to a total of 180 rehab beds. However, although Fresh Start expects that it will no longer have a waiting list, the challenge of course is to establish a sustainable operating budget. Fresh Start receives government funding of approximately 20 per cent per bed. The other rehab facilities in Western Australia receive funding of 80 to 90 per cent per bed. A rehab bed costs about \$150 a day. At Fresh Start, patients pay \$30 a day from their age or disability pension, or whatever they are on, and the community meets the remainder of the cost, either from government funding or from donors.

It is only because of the incredible generosity of Dr O’Neil and his family, the donors and volunteers that Fresh Start Recovery Programme has been able to provide this level of service, but it is not sustainable. The naltrexone implants that Dr O’Neil developed required Therapeutic Goods Administration approval, which is a very costly process. Given the ever-increasing number of people who came to Fresh Start for help, Dr O’Neil and his co-workers were unable to give sufficient attention to this work. In 2012, Fresh Start received an extra \$1 million from the government to continue its work until registration. The expectation was that Go Medical Industries Pty Ltd, which is Dr O’Neil’s company that manufactures the implants, would eventually provide the cash flow to help fund the Fresh Start service after registration; the implant could then be marketed all over the world. The chief executive officer had regular meetings with the Drug and Alcohol Office to keep it informed of

the slow but steady progress towards registration. Fresh Start has worked well with DAO, the Minister for Mental Health and the Mental Health Commission.

Unfortunately, the \$1 million grant was reduced to \$700 000 last year; it was this year reduced by a further \$300 000. The result of the reduction in funding is that in August 2015 the registration process stalled, as Go Medical and Fresh Start could not continue to fund the consultants, trials and TGA costs needed to progress the registration. The consultants completed a so-called gap analysis to find out what still needed to be done to get registration, with a view to meeting the TGA in December 2015 for a pre-lodgement consultation; this step could not take place due to lack of funding. At a time when we hear so much about the importance of innovation in our state, it is a shame that for such an innovative product as the naltrexone implant the lack of funding has resulted in the registration process stalling.

Go Medical built a new factory after the original factory was destroyed by fire. This new facility has been given good manufacturing practice accreditation by the TGA, which now allows the factory to manufacture the naltrexone implants and supply them to medical practitioners and other nations on a research basis. To get the registration process to the next step is estimated to cost a further \$500 000. It is anticipated that the TGA would require a further pharmacokinetic trial and possibly a randomised controlled trial, which could be concurrent and would involve a cost of around \$1 million which Go Medical could possibly fund from sales of the implants overseas.

I wish Fresh Start all the very best with its new facility that will open on Friday; I hope to be there to witness the opening of the new facility called The Hills, north of Northam. I also hope that some of the \$15 million in the state budget to address the methamphetamine scourge in our community will be allocated to Fresh Start to enable it to continue its outstanding rehabilitation work.

I have another issue I would like to briefly address.

[Member's time extended.]

Mr P. ABETZ: Having walked many times with people through the dark valley of being told they have a terminal illness, I took a keen interest in media reports regarding six-year-old Oshin Kiszko, who was diagnosed with medulloblastoma—a type of brain cancer. Media reports have indicated that the state has overridden the wishes of the parents, who wanted their little boy to be given palliative care, whereas the treating oncologist wanted to give chemotherapy and possibly radiation. I am sure that we would all agree that if parents do not want their child to have treatment for a disease such as childhood leukaemia, for which there is a 90 per cent cure rate, there is a place for the state to say that the child deserves to be cured with that treatment. However, given that chemotherapy does not cure medulloblastoma and, at best, only prolongs life for half of those who undergo chemotherapy, the question is: should the state interfere and override a parent's wishes for their child? I appreciate that these decisions are very personal matters. I have spoken with Angela Kiszko, the mother, and she shared with me the devastating impact that the chemotherapy is having on her son, who was, at the time I spoke to her, in hospital because of the ulceration around his anus caused by the chemotherapy and the problem the doctors were having in trying to control the pain that that ulceration was causing him. That is now under control and he is home again, for which I am very thankful.

Having had the privilege of being associated with the Dandenong Palliative Care Service in the 1980s in Victoria and working with many terminally ill cancer patients, I believe I have some insights into this issue. A cancer diagnosis is always a traumatic situation for any person—adult or child. As a father and grandfather, I know that it would be even more traumatic if it happened to a child. Although I was not involved with any terminally ill children when I assisted the Dandenong Palliative Care Service—I worked with adults—I certainly appreciate that it is a tough decision for a parent to decide whether to have chemotherapy and radiation when there is no real hope for cure and, at best, it will only prolong life.

Ms Kiszko told me that she felt bullied and intimidated—they are the words she used—by the hospital staff, which I find a little sad. When she said that they wanted to go with palliative care, the response was almost “How dare you think that way?” Apparently, chemotherapy is more traumatic for a child than it is for an adult. Adults tend to think: “Yes, I am going through a horrible time now, but I will get better and I will see my daughter's wedding.” Adults can make those judgements. However, it is just pain for a child and, in some sense, it is beyond their comprehension.

When Ms Kiszko and her partner indicated that they wanted palliative care, it went to the ethics committee of Princess Margaret Hospital for Children. I am told by Ms Kiszko and media reports that the ethics committee was divided. Some members of the committee thought that they should do chemotherapy and others thought that it would be okay to opt for palliative care. I would have thought that, if an ethics committee was divided—even if only 75 per cent opted for chemotherapy and 25 per cent said that palliative care would be okay—and given the difficulty of making that decision, it would be appropriate to allow the parents' wish to, if you like, decide the vote in that matter.

I do not want to cast any aspersions on the treating oncologists; I am sure that they want the very best. However, I have a sister who has been a nurse all her working life, although she retired several years ago, and she has told me some amazing stories about what happens in oncology wards in hospitals. She told me of a case in which an oncologist prescribed chemotherapy for a type of cancer when there was absolutely no evidence that it would help in any way, shape or form, and when she questioned the oncologist about that, the oncologist's point was: "I know that, but you've got to give people hope." If doctors were aware that I had some illness for which there was absolutely no hope of a cure, I would expect them to tell me so that I could get my house in order. I would not want to be given false hope. The difficulty that oncologists face is that they want to be able to heal people, but sometimes they have to face the fact that we are at the boundary of medical knowledge and at best all they can do is experimental stuff. If it is experimental, the family should have a significant say in that. One of the things that concerns me is that with the current system the treating oncologist can have the issue settled in the combative environment of our legal system. Because the hospital took the issue to court, the poor judge has had to make that decision. He found it exceedingly difficult, but he decided that little Oshin needed to have therapy; he held over an order on the issue of radiation, which is coming up shortly. It is interesting that on the radiation side of things, if this family had lived in Victoria or New South Wales, because of the age of the child, radiation would not be given, but in Western Australia we give it at a younger age. This clearly indicates there is no settled medical science around this issue and, if there is no clear-cut medical position, I would have thought that the wishes of the parents should be given a pretty high priority.

What I would like to happen is that we set up a board, perhaps something like the Mental Health Tribunal, and if there were a difference of opinion, rather than go into the combative environment of a court we would have the people involved sitting around a table—the oncologist and others can put their view. That independent board perhaps should have a medical specialist on it, a palliative care expert and a person with pastoral care experience, and the family can also have an advocate as occurs under the new Mental Health Act. To me, the current situation in which the director of clinical services has the right to apply directly to the Family Court to have treatment enforced seems to be pretty heavy-handed and inappropriate when a family is in such a painful situation.

From my study of media reports it appears that forced chemotherapy is not as uncommon as we might think. Most parents who are faced with, "If you don't agree, we will take you to court," back off. That is understandable, because they might feel that perhaps they were not doing the right thing for their child. I am not saying that the oncologist is right or the family is right, but a court of law ought to be the very last place we try to resolve those things, but rather in a pastoral caring way, sensitive to the family with all the trauma they are going through with their little child suffering we should be able to deal with that in a different way.

I put this on public record. I asked Ms Kiszko whether she was happy for me to raise this in Parliament, and she was more than happy for me to do that. She said their little boy is just one example, but it is happening elsewhere, and she told me some stories she has discovered. Since her story broke, people with similar experiences have contacted her, but they backed off and did not take it to court. Apparently the Kiszko case is the first time that the provision in our medical act or whatever act it is has been utilised in the courts. Incidentally, one of the things that is coming before the court is whether Oshin needs radiation treatment as well. As I mentioned, in the eastern states, they would not treat him with radiation because he is too young. The young brain is very sensitive to radiation damage and apparently all children who have radiation treatment for this cancer end up mentally impaired. Given that, it is a horrendous decision for a judge to make. I really believe that it should be done by talking and respectfully considering each other's opinion, but unless there is a clear-cut case that the child can be cured if a process is followed, I really believe that parents' rights should have the upper hand.

MR D.A. TEMPLEMAN (Mandurah) [8.20 pm]: It is good to be standing here tonight speaking in response to the state budget. After the budget was handed down last Thursday, I sought to analyse it in the context of what it reminds me of. I kept thinking of boats, ships, out-of-control cars, hoons and all those sorts of things. I finally landed on an out-of-control party. I am glad the Minister for Police is here tonight, because we have legislation to curtail and apply punitive measures to out-of-control parties. We need to amend that legislation to cover the out-of-control state of the finances.

My analogy for an out-of-control party is this: the Premier has been hosting this party for the past eight years, but on the last night of the party, it was totally out of control. The heavy drinkers had disgraced themselves. The teetotallers had been standing in the corner—I would put you down, Mr Acting Speaker, (Mr I.M. Britza) as one of the teetotallers—observing the carnage of this out-of-control party. The Acting Speaker and others who are teetotallers were probably reluctant invitees to the party and probably would have wanted to leave a bit earlier, but felt they needed to be there to support the host, the Premier. In the early hours of the morning the partiers find themselves waking up from a disaster.

In the cold light of day, the host wakes up. As the host, the Premier is probably not overly concerned, because he knows that the bills that will be left over from the carnage will not be paid by him; he will depart when he needs

to and wishes to. The party was not even held at his house, so he does not even have that obligation. However, the carnage that is left over, which is this record debt that we find ourselves with, nudging \$40 billion, and the deficit of nearly \$4 billion for the fiscal year 2016–17, is disastrous. As the party people who have fallen asleep start waking up, they realise just what an appalling situation it is.

As I was saying to a journalist from one of the newspapers in Mandurah last week, it is actually sad. I do not think anyone should gloat over the fact that we are in this situation, because it is actually very sad that it has come to this. It is sad for those Western Australians, and there are many of them, who at this moment face uncertainty in their employment, those who find themselves out of employment at this time, those who find themselves in need of mental health support services and those who find themselves having to find the dollars each week to make their household budgets balance. It is a sad situation we have got into. As with any out-of-control party, we now know that the promises that were made cannot be kept. The people from Ellenbrook who were invited to the party, and invited to numerous parties and promised numerous things, of course, were some the most disgruntled, because they left the party once again let down. But they are just one example of many people who feel let down. The sad thing is the situation we find ourselves in now. The member for Mirrabooka highlighted a couple of programs that are victims of this out-of-control spending and the out-of-control nature of how the finances have been overseen by the Barnett government.

Invited to the party was the National Party, and what an absolute disappointment it has been, because on numerous times now in this Parliament we have seen a National Party doing nothing to highlight issues that it and all of us know have been occurring under this government. Now, in the dying days of this Liberal–National government, we see the National Party members making little squeals about some policy differences, proudly trying to beat their chests and espouse that they indeed are independent. The people in the electorates that the National Party represents need not be hoodwinked by the crocodile tears that are shed by the National Party. The National Party has been part of this journey, this out-of-control party. It has been an active participant in it, and the people in the rural and regional areas where the National Party gains most support need to be reminded of that. They also need to be reminded, of course, and we will certainly remind them, that the impact of what this government has created and leaves for subsequent governments and subsequent generations is very, very stark and sad indeed.

So it comes to situations in my electorate, where we now face a bizarre situation, and I say it in those terms, in which important services now cannot be looked at, cannot be funded, because of the waste, the poor priorities and the poor stewardship of the economy by the Barnett-led Liberal–National Party alliance. The Minister for Mental Health has gone, but I hope she is listening to the speech; I hoped she would be here. She was here and I hope she comes back. I will not have a go at her; I will not attack her in this, but I am going to make a plea to her about the issue of mental health in the Peel region. Cabinet came to Mandurah and the Peel region in April. I appreciated being invited to speak at the end of the community function that the ministers and the Premier were attending at the Mandurah Offshore Fishing and Sailing Club. Unfortunately, and this was not known to most people at that event on a Monday night, a number of terrible events were occurring in our community. They had occurred earlier in that week and earlier in that month, and on that night, news had come through of yet another young person taking their life in Mandurah. From earlier this year, from about February, we have had from the southern part of Rockingham through Mandurah into the Peel up to seven young people take their lives in the region. This is tragic and we all accept that. When that happens in a community such as Peel, the understandable question comes up: why is this happening? This is debated and raised under great stress, great trauma and great sadness, and with a great number of unexplained answers. The member for Kimberley has brought this matter to this place on a number of occasions now. Of course, the statistics in the Kimberley are far worse than the ones in my region. I know some 20-plus—it may even be 30 now—young people have taken their lives in the Kimberley region since Christmas. I can only imagine how that affects the member for Kimberley as the member there and the impact that resonates through the communities and towns that make up the Kimberley. When it happens in a place such as Peel, it is the same thing. It is gut-wrenching. Everyone walks around asking: why? As a community we want to respond. We want to look at what is being delivered now; what is needed to fill the gaps; where the services are coming from; and what we need to try to turn this around. On that night I learned from one of the principals that the news had just come through that a student from one of our schools had taken his life, and he was one of three from that school who had done so over the month prior. Of course, it is devastating for a principal and her staff and the wider school community. They ask: What are we doing? What have we done? Have we done enough? Are there enough resources?

Within that context, the plea was made. We tried to highlight the issue to the Minister for Mental Health. Bear in mind that the Minister for Mental Health is a new minister and she had been the minister for only two weeks or maybe less. That is why I am not attacking her. I do not want to have a go at her because I have a lot of respect for the member for Kingsley, who is the minister, but I think her initial response was a bit naïve. The community through a number of leaders highlighted the need for funding support for a particular program known as the 3 Tier Youth Mental Health Program, which has been developed by the GP down south organisation in Mandurah but also services Peel. Heath Black, a well-known former AFL footballer, is an ambassador for the

3 Tier Youth Mental Health Program and helps deliver the initial tier 1 element of the program, which is awareness. Through its own resources and community support, GP down south has been able to deliver tier 1 on a number of occasions over the last two years. It involves Heath Black and other key ambassadors presenting to large groups of students from all around the region—not only Mandurah but also the Shire of Murray, as far as Boddington, Waroona and, of course, Dwellingup and other areas in Peel. Hundreds of kids have attended the tier 1 program presentations. The organisation has had so many kids attend that it now has to hold the presentations at the largest venue it can find in Mandurah, which is the Mandurah Baptist College, which seats 1 200 people. It has had up to 1 000 students at any one time at these.

Tier 1 is the program delivery and covers the broad scope of understanding as a young person the issues associated with potential self-harm, depression and anxiety. Tier 2 of the program is about the next layer of delivery in schools and youth organisations. The second tier is the more intensive support to smaller groups of students; it is the school-centred stuff. The third tier is the one-on-one individual counselling and support given to those young people who have identified themselves as being in need of support. This program has been evaluated. An evaluation that was carried out last year was sent to the Mental Health Commission. We do not know where it is or where it is at. The program initiators tried to meet with the former Minister for Mental Health. I wrote to the former Minister for Mental Health asking her to meet with them and talk to them about what this program was, why it was so important and why it is part of the answer to how we as a community can come together and address this very tragic issue of youth suicide and youth anxiety and depression. Unfortunately, to be totally honest, I do not think the former Minister for Mental Health was interested or understood where we were coming from or why we saw this program as crucial. I do not know whether she was just listening to the bureaucrat or whatever but we could not get through. I think that a colleague in my neighbouring seat was of the same opinion.

Then the new Minister for Mental Health came on board. Under the tragic circumstances, we made a plea. The minister has not come back with a second go yet, but her initial blanket response was that other services are being provided and it would be, in her words, “a duplication of service”. I am sorry, but the minister is wrong. One of the most frustrating things for me as a member who has lived in Mandurah for 27-odd years is this assumption that we are being serviced by Perth-centric services when factually it does not happen or they are piecemeal in their response. I am not attacking those services; I am not saying that they are bad services, but they are not delivered locally from the local area. They are delivered from Perth or Rockingham or Fremantle.

[Member’s time extended.]

Mr D.A. TEMPLEMAN: They are not delivered from within the region for people who live there. That is the point and that is the difference between what is happening in Mandurah now with some of the services and why this 3 Tier Youth Mental Health Program is so crucial to the response. If we had that service, we would have a local evidence-based service delivering to local young people by people who know the schools, the teachers and the community well. That is the difference. Youth Focus, for example, delivers some services. It is a great service but it is not located in Mandurah. It delivers some services to Peel and Mandurah from Rockingham. The mental health minister made a statement that there would be new beds for Peel under the mental health strategy. I would assume that those beds would go into Peel. What is Peel? It is Mandurah, the Murray region, Waroona, Boddington and Serpentine–Jarrahdale. Will those proposed 10 beds go into Peel? No, they will not. They will be in Rockingham General Hospital. The minister should not tell porkies. Why can those beds not go into Mandurah or the Murray area for people who have specific, 24-hour step-down bed-type needs and need to be observed and stabilised? Why should we not have that facility in Mandurah or the Murray region? A local person with those localised needs, whose family lives in the same community, needs that service provided locally.

The population in Mandurah is 80 000-plus and in Murray 16 000-plus. That number is going to grow throughout the region. We have Waroona further south. Why can we not have a centralised service in the Peel that delivers quality mental health to the people who live there and not rely on piecemeal services from somewhere in Rockingham, Perth or Fremantle? I scratch my head. But unfortunately that is the response we have had from the new Minister for Mental Health. What I have now been calling for in Mandurah and Peel is an audit. I think we need to audit exactly what is happening; who is delivering what. I know that most of the services being delivered locally are from services outside the region that come in. I want to make sure we know exactly what is happening.

We then need to look at the 3 Tier Youth Mental Health program. It could be up and running tomorrow and delivering tiers 2 and 3. How much does it cost? Minister for Mental Health, the ask is about \$400 000 over three years to deliver a program to the kids living in Waroona, Murray, Boddington and Mandurah. The kids living in Serpentine–Jarrahdale are probably focussed on services from the Armadale area, but if they need servicing from this program, they should be included. That is the ask: \$400 000 over three years.

What will that deliver us? It will be able to deliver the three tiers. We will be able to continue with the first tier, which is the scoping of understanding about the issues around youth suicide or youth harm, anxiety, depression et cetera. Tier 2 will allow us to deliver into the schools and into the other areas where young people gather or

are drawn to the second tier of more intensive support. The third tier will be individual counselling—the stuff whereby we target a number of highly vulnerable young people and give them and their families the supports they need. It can all be done locally, within the region by a regionally funded program. Why can this minister and this government not see that that is part of the answer for how we in our region can address the terrible scourge that is youth suicide, self-harm, anxiety and depression?

If we had the funding, it would supplement what our community is already doing. I want to mention a few names. I want to congratulate Councillor Dave Schumacher, a passionate bloke, who sought pre-selection for the Liberal Party in Dawesville but was rejected for someone who does not have any great local content, but that is the choice of the Liberal Party. On the night of the visit of the cabinet in April, Dave hosted a fundraising function and raised over \$50 000. Another local businessman Aaron Rekman, who runs a kitchen-making business in town, said he would have a gala dinner and is going to raise some money. The community has already very clearly made known its view: we are in this together, we are prepared to come together and raise some dollars because we understand why this 3 Tier Youth Mental Health Program is so important; the government needs to meet us as a partner. I am telling the Minister for Mental Health now that the advice she is getting from the Mental Health Commission and the bureaucrats is wrong. She is being misled. This program that I and community are agitating for is crucial and is developed locally for all young people who live in the region, not just those who live in Mandurah, and that is why it is so important. I am telling the minister now that she has to stand aside from her bureaucrats, find the \$400 000 for this program, get it funded immediately, and it will start to deliver what we know it needs to deliver to support the young people in our region. We owe it to them and their families to do that.

I want to move on to very briefly cover a couple of other items. Last week I had the very great pleasure of hosting the Pinjarra sub-branch of the Returned and Services League of Australia to lunch. Those people had won a quiz prize that I gave them. This is something that I think all members should be wary of, particularly if local sub-branches are in their electorates. Some people have more than one. There is one in my electorate and the Dawesville RSL sub-branch is another one. There are effectively two in the City of Mandurah and one in Pinjarra. A number of our towns traditionally hold a dawn service. This year was special because it was the 100th anniversary of dawn services and the 101st anniversary of the Gallipoli–Anzac campaign. As we know, in most places, not just in Western Australia but in Australia, the crowds are growing markedly in support of the traditional march, the dawn services and the commemorative events in the town. One of the worrying things—this is one of the worrying things for the Pinjarra sub-branch—is that it cost the sub-branch \$8 000 this year to pay for traffic to be controlled during the march. They marched down George Street, the main street of Pinjarra, turned right into Pinjarra Road and marched up to the war memorial between the RSL and the council buildings for the traditional commemorative service. This year, the march cost them \$8 000. I understand that it cost the Cockburn RSL sub-branch \$18 000 and the Mandurah RSL sub-branch just over \$10 000. I understand that the City of Perth was charged over \$100 000. Some of the councils provide a subsidy. I think the Murray shire was able to give the Pinjarra sub-branch \$2 000 or \$3 000. The problem is that this cost will continue to grow and these sub-branches cannot be called upon to put up this amount of money every year. It is ridiculous. This is the most significant day on Australia's calendar. Anzac Day is the most important calendar event in most towns and cities and even tiny places in the state. Those sub-branches that hold marches that require a street or parts of a street to be blocked off will face these costs in the future. In the past, Lotterywest has assisted, but that funding seems to have tailed off. During the estimates hearings I will ask whichever minister is responsible about this fact. Even with subsidies from councils, which might be \$2 000 or \$3 000, small sub-branches such as Pinjarra, which has about 400 members, are forced to fundraise just to pay for the road closures. I find that appalling. This impost on those RSL sub-branches seems to have occurred over the last three years. We now need to come up with a clear understanding that the state government should pay. The state government should dramatically subsidise this cost to RSLs.

Mrs G.J. Godfrey: Why don't you think local government should pay?

Mr D.A. TEMPLEMAN: Local government is already subsidising most of them, but they are not paying the whole amount. The problem is that the RSL sub-branches are left to pay the bulk of the funds.

It is something that we need to take up. The government needs to understand that on this particular day—the most important commemorative event in our national calendar—the state government must step up. I think it is important that the government pay those fees.

I am really pleased to say that Dave Mabbs from the Mandurah RSL sub-branch did a brilliant job on the Anzac commemorative services in Mandurah again this year. I was asked to run the two-up, so I was the two-up ringleader this year. I thought I would be there for two hours, but I was there for five. I did not have a break. I did not even have time to relieve myself. I did not realise that the person running the games decides when they will finish. Some of the blokes would have looked at me in a very angry way if I had decided to go home early. It was an interesting and very important experience, and I thank David Mabbs and his crew at the Mandurah RSL for their support.

The ACTING SPEAKER (Mr I.M. Britza): The Chair recognises the youthful looking member for Collie–Preston.

MR M.P. MURRAY (Collie–Preston) [8.50 pm]: Thank you, Mr Acting Speaker. As any budget is passed, we hear many grizzles and groans, and some pats on the back, depending where members sit. After reading a budget that contained nearly 1 000 pages, I managed to find the word “Collie” once! All it said was this government will assist the Collie community in its restructure. There was no funding whatsoever. This is after the Treasurer himself said that we have to change and that in time Collie will be a very different place. What assistance has been brought forward by this government? None. At the moment, Collie is a town in flux. We are not quite sure what to do. A task force has been brought forward by the South West Development Commission and the Shire of Collie to look at job creation. Many ideas have been put forward by people at community meetings; yet when I look at it, government assistance is sadly lacking. Most people know that if we do not change with the times, we do not survive. This is a case of needing help to change. It certainly has not been forthcoming.

Local businesspeople tell me they have never ever had it so bad. When people are under stress, they certainly do not spend. They sit back and put the pennies away, waiting for that rainy day. That is about where we are now. Small businesses suffer just as much as large businesses, because those small businesses rely on people spending. If people are not spending and they are not getting assistance from the government, they are in a very big bother. That is where Collie is at the moment.

Further to that, when I look through the *Budget Statements* I look for my favourite words—“Lake Kepwari”. I have been looking for those words for years and years. Lake Kepwari is a mine void. For the newer members in here, it is a mine void that is two kilometres long, a kilometre wide and its water is 75 metres deep. It is a perfect skiing spot and should be by now the ski mecca of Western Australia. But it is certainly not happening because the will of this government and, I must say, Premier Coal, is sadly lacking. The beautiful, blue sign on the side of Lake Kepwari—I must say it was a beautiful, big, blue sign—is extremely faded. It has been there so long that the words on the front of it cannot be read. It is a sign that has been abandoned. Now, \$2.9 million has been removed from this budget. When I rang around to find out where the money has gone, I was told it has gone into excess cash. This government has not got any excess cash. If it has, I would like to know where it is and what it will do with it. Once a line item is removed, you are in trouble—everyone here knows that.

We also know from the Premier’s statements that to say it is in the forward estimates—which it is not—is a furphy because the forward estimates do not count. The Premier has said in here on numerous occasions, “Don’t worry about the forward estimates; they are what is said—forward estimates.” We would have liked to have seen something that said the government understands that we need to change. Lake Kepwari would be one of those major game players for the Collie region and the south west.

The Ferguson Valley tourist road through Pile Road has now been sealed. That makes Collie about 15 minutes closer to Bunbury. That drive brings people up from the flatlanders, up through the hills and the vineyards, and into Collie and into the playground of motorsports and watersports. That is if we can continue with our expansion of our tourist industry. Yes, we have tried it before, and, fortunately or unfortunately—whichever way we like to look at it—every time we got a bit of a tourist industry going, along would come another construction job and all the hotels would be booked out and no accommodation would be available for tourists. The only tourists would then be day trippers, because people could not stay overnight, and we did not get enough money out of their pockets for meals and accommodation and all the other things that go with overnight stays. However, now that overnight accommodation is available, we do not have the support from the government to enable us to move on.

In time, Lake Kepwari will have a caravan park, a series of upmarket chalets, and some cheaper camping areas. The overflow into Collie for fuel for VHP boats or ski boats will be a benefit to the town, let alone the benefit from people who buy McDonald’s, have a beer or recreate in other ways. Again, after eight years, the money for Lake Kepwari has been removed. That is one of the biggest slaps that Collie has seen. Even though in budgetary terms it is not the largest amount of money around the place, and it is not going to send the government, which is already broke, further down the pipe, it is—I am trying to think of the word—a marker, I suppose, to the people of Collie to say, “Someone cares about you. Someone is looking after you. Have faith. You will rise again.” However, unfortunately, that money is not there.

I am a bit lost. When I ask a minister in this house to come to Collie and meet with the local community, and he tells me I should do it myself, that tells its own story. Again, that was the Treasurer. The Treasurer has refused a request from the Shire of Collie, and others, to come to Collie and address the community. It has been 10 weeks since that request was made, and still a date has not been set for him to come to Collie. That is arrogance at its best. The easiest way for a minister to bring down their government is to not be available to people who need a hand and need direction. We will welcome the Treasurer to Collie. I do not know what he is frightened of. I thought he had a bit more gumption than that. We would welcome him to Collie to get some understanding of the comments that he has made. The Treasurer has made comments at obscure meetings and

conferences, yet he has not talked to the people of Collie. It is beyond belief that any minister would do that. I have spoken to other ministers at times, and within days they have come to Collie.

I was very surprised recently when people ran into my office and said a UFO is in town. I said, “Come on, boys!” They said, “Yes; it has a little round head, and it just went past in a car.” We have never had a UFO that went past in a car! I then worked out that it was Hon John Day. That was the first time he had been to Collie. No-one had ever seen a head so perfectly round. He went down the street in the car, never looked sideways, never smiled, went to the hospital, did his little bit, turned around, and went straight back to Perth. He never called in to see anyone around the place. That is why governments lose their way. It is because they lose contact with communities all over Western Australia. That is what has happened with this government.

On a positive note, not everything in Collie is dire. We have the Collie Motorplex.

The Treasurer has just come into the house. I have just been talking about you, Treasurer. I am wondering whether the Treasurer has accepted our invitation to come to Collie and speak to the people. That invitation has now been on the Treasurer’s desk for about 10 weeks. I wonder whether the Treasurer has found time in his busy schedule to do that.

Dr M.D. Nahan: I will be going to Collie during the federal election campaign, and I will be talking to the people of Collie extensively about our renewables policy, and our approach to coal and other issues—yes, I will—and I will highlight Labor’s policy at the same time.

Mr M.P. MURRAY: The Treasurer will not need a flak jacket and his minders; he will be welcome down there.

Dr M.D. Nahan: I know.

Mr M.P. MURRAY: I think under the new gun rules we will be able to keep the rifles away!

Dr M.D. Nahan: Member, as I said, they will come down and if they will hear me—given that they are from Collie, they will—I expect that they will come onto our side when they hear the relative support we are going to give to the coal industry, and have.

Mr M.P. MURRAY: The Treasurer has caused dissension and insecurity in our town, but he will not come down —

Dr M.D. Nahan: How?

Mr M.P. MURRAY: By his statements about how Collie will be a different town within 10 years.

Dr M.D. Nahan: I heard Gary Wood saying the same thing; indeed, urging, and we are in the process —

Mr M.P. MURRAY: Gary Wood does not make political decisions. Gary Wood represents around 600 or 700 members, not a community. The Treasurer represents this state, and he still does not have the gumption to come down there. He makes light of it, and rubs it in to the people of Collie. It is about time the Treasurer came down and explained this budget that contains one word about Collie—one word is all it has—and provides no funding support. For the next 12 months we do not know where we are going because the Treasurer has given us no direction. We will cop the good with the bad—we will cop that—but the Treasurer —

Dr M.D. Nahan: The threat to Collie lies from Canberra right now, and you know it, member. Shorten’s policies, both the renewable policy —

Mr M.P. MURRAY: We are not talking about the federal election; we are talking about the Treasurer and what he is going to do for Collie in Western Australia. We have the smallest electricity system in Australia. As far as coal goes, we have the cheapest.

Dr M.D. Nahan: It’s very cheap.

Mr M.P. MURRAY: So why does the Treasurer not support it?

Dr M.D. Nahan: I do!

Mr M.P. MURRAY: Why does the Treasurer not come down and talk to the people of Collie at a public meeting? I will guarantee the Treasurer’s safety! If the Treasurer comes down and speaks to the people —

Dr M.D. Nahan: We improved the Premier Coal contract, we rebuilt Muja A and B and we signed the contract for Bluewaters.

Mr M.P. MURRAY: Bluewaters was built under a Labor government!

Dr M.D. Nahan interjected.

Mr M.P. MURRAY: Why does the Treasurer not come down and speak to the community?

Dr M.D. Nahan: I will!

Mr M.P. MURRAY: When?

Dr M.D. Nahan: At a time of my choosing, and soon.

Mr M.P. MURRAY: What an insipid answer from a person who does not have the courage of his convictions! That is what that is about! Again, the Treasurer can blame who he likes, but the decision-making around the coal and generation industry in Western Australia is made by the Treasurer. Bill Shorten will not come and shut down a private power station or private company that is worth getting towards \$1 billion, and then ruin the investment opportunities for everyone in the south west. The Treasurer has already done it; he stood up in this house and said that Lanco Infratech should get out of the place because it was causing so much trouble. That is what the Treasurer said in this place.

Dr M.D. Nahan: They were, yes.

Mr M.P. MURRAY: Does the Treasurer stand by those words?

Dr M.D. Nahan: No; they have improved their game immensely.

Mr M.P. MURRAY: Talk about a fair weather sailor! I have seen the best of them, and the Treasurer is right there.

The SPEAKER: Just hold it a minute. Hansard has to make a record of what is happening over here. You make a speech, and then we will take it from there; okay?

Mr M.P. MURRAY: I will, but it will not change the tone of what I am saying or the request I am putting to the Treasurer to come down and talk to my community, which is in limbo at the moment. Not only that, the local government wrote to the Treasurer more than 10 weeks ago and I understand that it still has not had a reply. I would ask the Treasurer to at least show a little manners and reply to the letter, but unfortunately I do not think he has that. Wherever he came from, he was not very well brought up.

In saying that, let us move on to the motor sports complex. I will highlight the difference between one minister and another—the Minister for Sport and Recreation, and the Minister for Tourism. We were having some problems with the upgrade of the motor sports complex down at Collie. The Collie Motorplex brings an enormous amount of tourism dollars into the town. I went to the Minister for Sport and Recreation and asked her whether she would assist, and within days we had an answer and we moved on. We have moved money from one area to another to allow that complex to grow. With that complex growing, it is now bringing in more dollars. Last weekend was huge for the town, with sports cars from all over the state congregating in Collie. They all said they enjoyed themselves; it is about country camping, the amenities that are available and the cheapness of using the track. All those things attract tourism. That is what happens when we have a good minister, or fairly good—I will not say totally good—compared with a minister who has his head in the sand and refuses to help a community that is crying out for change, and who has not provided funding for the next 12 months for a task force comprising the South West Development Commission and the Shire of Collie. How can that task force continue to work to help the town? We will have to be like the main street of Perth with all its beggars. We will not get a grant in the south west, so we will have to run down and rattle the tins and get the money off the streets! We need that complex to go forward and we need help from a very arrogant and lazy Minister for Tourism. By the end of this year we hope to have an upgrade for the motor sports complex so it can be used nearly every weekend of the year. If people want to calculate that in a dollar sense, they certainly can.

I refer to another part of the budget. Every party is guilty of this at times, but if members want to see pork-barrelling at its best it is in this budget. I am talking about the south west. The area from Busselton to Margaret River has been allocated \$60 million worth of projects. One that is unbelievable is funding for a ring-road for the town of Margaret River, but no money for the Bunbury ring-road so that people can get to Margaret River! How does the government work that out? How do we logistically get that ring-road in place, when people cannot get to Margaret River because traffic is jammed, but once people get there they can drive around it! I am probably more concerned about what the government will call that ring-road. Will it be Redman Drive or House Alley? I am not sure, because they will both be down there fighting to get their name on that bit of pork-barrelling. I have no doubt about that.

Can I have an extension, please?

The SPEAKER: Yes, you can have an extension.

Mr M.P. MURRAY: With reluctance, I hear!

The SPEAKER: No, with great enthusiasm.

[Member's time extended.]

Mr M.P. MURRAY: When members consider that \$60 million is going to a minority of people in the south west, it is a slap in the face for the people of Bunbury. It is certainly not going to help the Liberal Party's chances of holding the Bunbury seat. They are not that silly. The amount of \$24 million that Bunbury got in this budget came out of the previous budget. In real terms, the biggest town in the south west will get \$12 million of

infrastructure, which includes an upgraded Dolphin Discovery Centre. There are no roads, no bridges and no ring-roads. I wonder how that is possible. Infrastructure has to be thought out and not just dropped on the ground for political purposes. That is one of the biggest mistakes this government has made over its period in government. Now it is trying to fix it, but the further it goes, the bigger the hole it digs for itself.

I look further to other towns in the south west that people do not hear a great deal about, but they are all growth towns. I am talking about Dalyellup, Dardanup, Donnybrook and Eaton, all of which have been hard done by. In the Donnybrook area over \$10 million has been removed from the Main Roads WA budget. Donnybrook is on the highway and there have been many accidents down that way. The mid south west—not the lower south west—has been dealt an extremely savage blow by this government for all the infrastructure projects it had planned. Really, they wanted the basic one, which was access roads into the port, which were not budgeted for either, and the ring-road for Bunbury to stop the congestion over the busy periods. It is now getting to the stage where the growth at Eaton and Australind have made the hold-ups as serious as those in Perth. If anybody from the city was down there around the eight o'clock in the morning mark, going into Bunbury, they would understand exactly what I am talking about. Yes, we have been forgotten, but we will not be going away. We will be there at the next election, which is not that far away, and we will remind the government of every bit of this, where it has pork-barrelled but done nothing.

I will now move onto something that I have interjected on the minister about; something I am very disappointed about—that is, the number of road deaths in country areas. Something has to be done immediately. It is very disappointing to see that over the last three years money has been held back for political purposes. As we run into an election, the government puts the money on the ground and says that it is going to fix this up. In the meantime, two-thirds of road deaths have occurred in country towns. Along with that, I believe that it would be very timely if the minister instituted an inquiry into the number of car fires. It has been of concern to me that people have been incinerated in their cars. I believe that there is a safety fault in those cars, so that when they crash, the fuel pumps keep pushing fuel out, because they are under a pressure system, whereas in the old system once a motor stopped the fuel stopped. I have no technical knowledge about this and I am not trying to say that I do, but the number of fires in cars has blown out of proportion. I ask the minister, in her position, if she is able to, to ask people to focus on the reason for that, maybe in a coroner's inquest into one of those fires. Why do the cars catch fire? I honestly do not know, but anyone in my age group would know that it would be a rare occasion years ago for a car to catch fire. Now it is a regular occurrence, and people are trapped in burning cars.

Dr M.D. Nahan: They have electric fuel pumps, rather than mechanical ones.

Mr M.P. MURRAY: That is right; they keep pushing out the fuel. There should be some sort of pressure valve, but it would take an Australian government agreement to do that.

Mr P. Abetz: I can answer that. In newer cars, if they have an accident and the airbag goes off, it actually shuts down the electrical system and shuts off the fuel pump, but I think in some of the older models that does not happen. On the newer cars, that has been taken care of.

Mr M.P. MURRAY: So that has been taken care of. Okay, thank you for that. It is still worth looking at, because we saw an accident between a truck and a car this week on the freeway. We do not want to see that. Sometimes a person is incapacitated by the accident, and could have got out of the car if they had time.

I will leave that one with the minister, but my other point is about speed cameras. I have been on record in other places talking about speed cameras. Put them out in the open and put them out in the country. That is where the accidents are and that is where people are having major crashes. Again, further research needs to be done into those crashes to see whether the victims are shift workers who have been working 12-hour shifts, seven days a week, and then get a weekend off. Research must be done to see why these single car crashes and rollovers occur, and whether they are due to fatigue or other reasons. I have some worries, I suppose, that maybe a few of them are suicides. We do not know the background to them. I do not think the studies go far enough to try to address the problem of why these people are dying on a regular basis on the roads in country areas.

One thing I do know is that if more police were seen on the roads, some of that would drop off. I use the tragic example of three young people killed just recently. If a police car had been driving up and down in that country town, I can tell members that through the bush telegraph, everyone would have known within half an hour that the cops were in town—"Don't go down there, there's a roadblock. A cop just drove up the street; don't go up there." That is the way to police country towns. But because those young people knew that no-one was there, a tragic accident came out of that and unfortunately it cost some lives.

I will move to another topic. I certainly have not highlighted in here previously any of my personal life relating to drugs. Now I think I understand and am able to control my emotions about what has happened in my family. I read the column by Liam Bartlett published in *The Sunday Times* on Sunday, 8 May, and could not agree more with what he wrote there. Getting caught with drugs—I am talking about the low level—should not always mean that a person should have to go to jail. It is my very strong view, after being party to drug problems in my

family, that we see a difference in what happens if a person gets into rehabilitation circles rather than being put in jail. I heard an anecdote about one young lady who went to a women's prison and was not a heroin addict, but she has become one since she has been in jail. When I asked my daughter to read the column by Liam Bartlett, I asked her for her comments. She came back very strongly and said that the young man whom the article was about would become pretty twisted. This young bloke went to jail, having been sentenced to a 16-month term for possession of meth and intent to supply. He had a terrible background, but had been reformed for three months, yet he was still sent to jail. He was an ideal candidate to be given the same opportunity that my daughter was given, which was a suspended sentence. Why did we send him to jail at a cost of \$300 a day to destroy what he had worked so hard to be, which was drug free? He would have gone to jail and the door would have slammed shut. What do members think his thoughts were? He would have thought, "I've worked very hard to prove myself to people that I can be straight and this is what they do to me. Where was my chance?" Sure, people talk about the revolving door and people going through it and out the other side, but he was an example of someone who just needed a bit more help—not to be incarcerated and left alone in a jail because he had done some wrong. He certainly did do wrong—I do not feel sorry for him in that way—but he could have been a great contributor to society in the future. There is a problem for many of those kids who want to get off the drugs. Their paranoia is just unbelievable, but all of a sudden there is a space and they say, "I want to get off that, Mum." Mum grabs them, but where does she take them to? There is nowhere. If they are taken to the outpatients department, they are told to sit over there and are given a pill, and then they are booked in to see their doctor on the following Monday or Tuesday. We need doors that open for those kids—not just kids, but also young adults—straightaway so that they can go straight in and be seen by a psychiatrist or whoever they need to see and get medical treatment. Sometimes they need a shower. We need that door to open straightaway so that people can go in and be dealt with. Sometimes they may come out and last three or four months and then fall back into old habits; at other times it can be the exact turning point because they were caught at the right moment when their brain was in the right position for them to go forward and break the habit.

Many people do not quite understand addiction. It is not for a week; it is forever and ever. We never know when it will pop up again, whether for an alcoholic, drug user or any other user. We have to look at the big picture, and filling up the jails is not working at all. The other side of it is that we know there is a problem out on the streets. How do we shepherd these people away from easy access to the drugs of today? That is another issue that I do not think we will fix in the short term, but we would certainly like to see some of the money in the budget go into an open-door policy whereby someone goes into a house or a hospital and they are seen immediately and then referred on from there.

[Member's time expired.]

MR C.D. HATTON (Balcatta) [9.20 pm]: I rise with some enthusiasm to comment on the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016. This budget is certainly significant in that it marks almost eight years of strong and very stable governance. The Liberal–National partnership is that governance and represents the strongest and most stable government in Australia. There is a lot to be recognised in this budget, because it is a solid sensible budget that tracks the transitioning economy, not only now but over a period of years.

Through the global financial crisis of 2008 and beyond, this government has shown immense resilience and vision to enable metropolitan and regional Western Australians to live in a place that not only offers opportunities and lifestyle choices but also enables them to access high-quality education, health services and public utilities. Over the past eight years, this government has been instrumental in a number of areas that are very important to all Western Australians. Health, education and law and order are the three big ones that stand out for every person. I stand here as part of a government that has risen out of the global financial crisis and shown the fortitude to build new hospitals, schools and infrastructure that has provided not only employment for Western Australians in business, trades and clerical and support services, but also a very, very strong foundation for future growth and prosperity for all Western Australians. This strong foundation is where we are right now. This government has laid the foundation for the future. It is securing our economic future. It is meeting demand and delivering quality services. It is supporting and protecting our community. It is investing in infrastructure to support our growing state.

I would now like to draw attention to what this government has done to invest in looking after people's welfare by way of law enforcement, disability funding and services and mental health legislation and resourcing. In the area of law and order, this Liberal–National government continues to crack down on crime by introducing laws that put victims of crimes first and criminals last. Unlike previous Labor governments and their remnants in opposition here today, our government strongly commits to dealing with crime, introducing hoon laws, dealing with assaults against police officers, reducing out-of-control parties, creating strong home burglary legislation and even getting tough on graffiti vandalism. We are taking on the fight against crime, domestic violence and drugs with strong legislation and law enforcement.

To deal with the real societal problem of drugs, this government has a committed plan across departments, across ministerial areas and across state and federal boundaries to stop the supply and to help support and rehabilitate the individuals caught up in what may be called a modern day epidemic of the scourge of drugs, not just in WA but across borders and countries. We as a committed government will continue to legislate when and where legislation is needed to protect people on the street, in their homes and in public spaces.

Labor is soft on crime. This government is not. I welcome getting tough on not just hooning in cars, but dangerous hoon driving around schools and getting tough on those vandals who graffiti private and public property. The Graffiti Vandalism Bill 2015 demonstrates a strong stance against derelict behaviour—behaviour that can often and does often lead to more serious organised crime. I welcome this government's stance by way of amendments to the Sentencing Act 1995 to provide GPS tracking of serious violent offenders, including domestic violence offenders. Again, I welcome our overall commitment to driving down crime, a major driver of crime being drug abuse, particularly methamphetamine abuse.

Reflecting on metropolitan Perth and where it is heading, the major infrastructure and asset builds such as Elizabeth Quay, City Link, Yagan Square, Perth Stadium and the Riverside development continue to be delivered on time and on budget—something that the opposition certainly had trouble doing in its chequered past of planning, building and fiscal management. We have only to remember Perth Arena —

Mr D.A. Templeman interjected.

Mr C.D. HATTON: It is good that the member for Mandurah is laughing because he wasted a lot of taxpayers' money. Do members remember Perth Arena —

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, I am going to call you to order for the first time. I am going to take it that you never saw me stand up because I should have called you for the second and third time. Let the member for Balcatta continue.

Mr C.D. HATTON: Member, this is my moment of glory. Thank you very much. Does the member remember Perth Arena? He has been around long enough. Does he remember the cost blowouts? Does he remember the strikes and the public discontent? Does he remember how economically —

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, I think you need to relax a bit. I do not want you riding down to Mandurah in this distressed state.

Mr C.D. HATTON: Instead of asking, I will say that the member surely remembers how economically illiterate his government was. It could not and it cannot build public assets. We build them, we provide jobs and we provide the growth. We value the public assets, and get this —

Mr M.P. Murray interjected.

The SPEAKER: Member for Collie–Preston, you must have been called at least three times, the way you have been shrieking out today, but I cannot even find your name here. Can you please calm down.

Mr C.D. HATTON: We build public assets and we provide jobs and growth. We value those public assets. When it is necessary, we do sell them; of course we do. We sell them to get better value for the state and the taxpayer. That is called budget rationalisation and transition and it is very sensible economics. The member may not know economics very well but it is. Perth stagnated and went backwards.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, we have had our fun. Let the member speak.

Mr C.D. HATTON: Perth stagnated and went backwards under the previous Labor government—it was called Dullsville under Labor—but now in 2016 we have a vibrant inner-city precinct.

Mr M.P. Murray interjected.

Mr C.D. HATTON: The member for Collie–Preston never goes into the city; he would not even know. He probably has not had a cup of coffee down there for the last two years. I will take him down to Elizabeth Quay. Does he want to hold my hand? I will take him down there.

Mr M.P. Murray interjected.

The SPEAKER: Member for Collie–Preston, I call you to order for the first time. That is enough now.

Mr C.D. HATTON: I will shout the member for Collie–Preston a coffee down there. We can go down the Terrace if he would like.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, I call you to order for the second time.

Mr C.D. HATTON: We have created a vibrant inner-city precinct that places Western Australia on the tourism map, which of course means jobs, jobs, jobs and a stronger economy. We are maturing the city into a destination for tourists, people from other states, and normal, everyday mums and dads and their families. It has become a city for all; a city of opportunity for recreation, commercial enterprise and jobs, jobs, jobs. It is no longer Labor Dullsville. That is gone. It is now “cosmopolitan” Perth for everyone.

Metropolitan Perth is not the only beneficiary of this government’s investment for the years to come, member for Collie–Preston. Regional Western Australia has had a big piece of that investment, would you not agree, member for Collie–Preston? He probably would not, from his previous speech.

Mr M.P. Murray: Are you talking about the railway line or Forrest Highway?

Mr C.D. HATTON: For the last eight years the whole of Western Australia has had a piece of that investment, with over \$6 billion allocated and with over 3 000 rural projects across the state, from Esperance to Kalgoorlie to Broome and to Kununurra. All Western Australian are benefiting. If the member for Collie–Preston were to try to work a bit harder, his community might benefit.

Mr M.P. Murray interjected.

The SPEAKER: Member for Collie–Preston, I call you to order for the second time. Can you talk through the Chair, please, member for Balcatta?

Mr C.D. HATTON: Hard work pays off—hard work in the local electorate of Balcatta, my electorate, with the six suburbs of Joondanna, Osborne Park, Tuart Hill, Balcatta, Stirling and Hamersley. I get to engage frequently—more frequently than the member for Collie–Preston—with what I regard as very professional and dedicated school principals who have adopted the new funding model with professionalism and public service duty.

Several members interjected.

Mr C.D. HATTON: Yes; and now they have adopted with a sense of confidence a true cost–benefit funding model for the taxpayers of Western Australia. The money is being channelled directly to the individual. This government adopted some years ago the principles of Gonski, which no-one on that side understood. No-one on that side has the background to understand education.

Several members interjected.

The SPEAKER: Members!

Mr C.D. HATTON: We continue to be the best-funded state.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah.

Mr C.D. HATTON: We do not have bureaucratic involvement from Canberra. We have taken on the principles of Gonski. We are directing the money in the right direction. WA schools are strongly supported by this government. We get teachers into classrooms in front of all children—not like Labor. We value teachers with some of the highest wages in Western Australia—not like Labor. We value schools and communities—not like Labor. Labor would like to just undo all the good we have done. It would just strip it away. Heaven help us if a federal Labor government were to get in, let alone a state Labor government. This government gets on with the job. It gets on with building hospitals, unlike the distinct inability of the previous Labor government to do so. In my electorate —

Several members interjected.

The SPEAKER: Member for Mandurah, I call you to order for the third time. Member for Wanneroo, I think you have been called for the second time. Member for Girrawheen, you see what hubbub you have caused by walking into this chamber!

Mr C.D. HATTON: I am sorry to take so long, but members opposite are showing that they are disgraced.

The well-utilised Osborne Park Hospital now has new theatres and I am working very hard in support of more hospital off-road parking. As a matter of fact, I have been working for three to four years on off-road parking. In 2013, along with my government, I pledged that I would get a \$3 million to \$5 million new hospital car park built there. The soil will be turned in a matter of weeks.

Several members interjected.

Mr C.D. HATTON: That off-road parking will be built. We will look after the nurses, the doctors and the local community.

Something I am passionate about is disability funding and so forth. Over the past six to eight years, this government has funded disability services more than any other government has. We remain a model and inspiration to other states. Caring for people with disabilities is a top priority and so is mental health funding, as the new Minister for Mental Health will know. The Liberal–National government has done more to support those members of our community with mental health issues than has any other previous Western Australian government. Certainly, in my role as the local member for Balcatta, I am aware of many people’s needs and it is most satisfying to be able to assist individuals to find pathways to the many, many services available and achieve better outcomes in their lives. I am very aware, unlike members opposite, that some people are doing it tough and are facing personal and income challenges. It is true, and I am working hard in Balcatta with a great group of people with disabilities, including people with cerebral palsy, who need help. They are my dear friends.

Of course, it is not all perfect. No government is perfect, although this government is far closer to being perfect than the wannabe government of members opposite. This government gives its priority to providing for people’s needs. I remain committed to helping people in the electorate of Balcatta.

Mr M.P. Murray interjected.

Mr C.D. HATTON: The member for Collie–Preston should be more committed in his electorate and he would get more done.

Several members interjected.

Mr C.D. HATTON: I would like to mention —

Several members interjected.

The SPEAKER: Members! Member for Mandurah, that is enough. Through the Chair, member for Balcatta.

Mr C.D. HATTON: If they keep interjecting, I will run out of time—please, Mr Speaker.

I would like to mention just a few initiatives and improvements that have occurred in the Balcatta electorate—firstly, in the area of education and schools. Classrooms at Glendale Primary School in Hamersley have been upgraded, and some roofing has been done and there is a brand-new state-of-the-art administration building. It is a significant build for an ageing but excellent school. At Osborne Primary School—the member for Wagin visited there with me—a new staff car park has been built.

Several members interjected.

The SPEAKER: Members!

Mr C.D. HATTON: The irrigation system is to be upgraded at Takari Primary School and there is a good chance —

An opposition member interjected.

Mr C.D. HATTON: It is more than a sprinkler; it is \$102 000, member, worth of sprinkler system. He should work for his electorate.

Several members interjected.

The SPEAKER: Member for Balcatta. I do not know why you are speaking to members and not to the Chair. Speak to the Chair. Thank you.

Mr C.D. HATTON: Certainly, Mr Speaker. At Tuart Hill Primary School, new perimeter fencing and a new staff car park are to be built. At Balcatta Senior High School, a new food technology refurbishment will take place. I must acknowledge the outstanding implementation of the 40-kilometre-an-hour zone flashing school lights.

Several members interjected.

Mr C.D. HATTON: Nearly 1 000 schools, probably by early next year, will have these lights installed and in my electorate, all schools have them, bar two, and I am working hard to get them, probably harder than the people opposite work in their electorates.

I would like to place on record that the Reid Highway build from Erindale Road through Balcatta is near completion, on budget and on time. It is a significant build that will take that section of highway from two lanes to four lanes. It is, I think, a \$98 million build, with a new bridge over the freeway. I will continue to work with the Hamersley residents on issues concerning noise mitigation and privacy screening. There have already been some good outcomes. Likewise, I will continue to work on transport initiatives that will improve traffic flow in Balcatta, reduce travel times and improve road safety. I am working hard. It will just be a matter of time before I get more turn lanes and longer turn lanes outside Bunnings on Erindale Road. Good old Bunnings—it is a great spot! I am confident that after many months of working alongside residents in Balcatta and in suburbs beyond, there will be traffic solutions to the dangerous Erindale Road–Boya Way intersection. I will continue to try to

convince my reluctant council, the City of Stirling, to put some money into this intersection. The government has already offered it money, but it will not come up with the goods. I will keep working on that one.

[Member's time extended.]

Mr C.D. HATTON: Finally, as I said earlier, this Liberal–National-led government has laid the foundation for a prosperous future—for my four children, for my extended family and for all young families. Our economy is transitioning and realigning into other sectors such as science, research, agriculture, commerce, education and tourism.

Mr J.M. Francis: And fisheries!

Mr C.D. HATTON: And fisheries—sorry, minister.

It remains very strong and very resilient. State spending has been adjusted to meet efficient service delivery in core departments. Asset sales continue to be identified and prioritised. The fight for a fair GST return remains strong—with no help at all from the opposition. The mining economy, like always, will return in a cyclical manner. It will return to higher levels of state revenue return. As world markets adjust to core minerals, with a focus on iron ore, we will continue to support WA's growth in oil and gas. World-class, large-scale products are coming online such as the Gorgon liquefied natural gas project. Commercial shipments have already sailed this year. The Wheatstone LNG project will be commissioned this year. Western Australia's mining sector is resilient and it is highly regarded across the world. Increasingly, our mining sector is value adding and diversifying by expanding into technology export.

I remain very confident that this government is continuing to deliver positive outcomes in investment, job creation and service delivery to Western Australians. Any economic challenges will be met by this government's commitment to ensuring that the economy is broadening into other sectors and business opportunities are created with a focus on employment and job growth. We have built this state immensely for all Western Australians to work, live and play and to have opportunity—opportunity for all. I fully support the initiatives of this stable government and this sensible, measured budget for the times.

MR C.J. TALLENTIRE (Gosnells) [9.43 pm]: I rise to address the Appropriation (Recurrent 2016–17) Bill 2016 and the Appropriation (Capital 2016–17) Bill 2016. I was taken by the opening words of the Treasurer when he wanted to explain the situation the state had faced since this Liberal government came into office in 2008. He talked about how Western Australia began with a population of 2.2 million people and that it currently finds itself at 2.6 million people. The tone of the Treasurer's speech, and indeed the content, was such that he was suggesting that the additional 450 000 people or so was in some way to blame for the problems that the state faces in terms of its congestion crisis and other infrastructure growth pains. I wanted to look at the figures he presented. I found it very interesting. One of the most important indicators of affluence in the western world is the ratio between population and vehicles. It is normally measured in the number of vehicles per thousand people. It is very interesting. What the Treasurer was suggesting is not seen anywhere else in the western world. I should note that this is from the first page of the Treasurer's budget speech. The Treasurer said that this state has a population of 2.6 million—I am sure that figure is right—and we have a vehicle fleet of 2.8 million. This would give Western Australia a ratio of 1 076.9 vehicles per 1 000 people. That is unheard of in the western world. According to the Australian Bureau of Statistics, in 2015 Australia had 764 vehicles per 1 000 people, and the figure in Western Australia was slightly higher at 844 vehicles per 1 000 people.

That is significant, because in his budget speech, the Treasurer sought to place the blame for the congestion crisis in this state on the population increase. He said that the congestion crisis is caused by the extra 500 000 vehicles that are on our roads. He then referred to other indicators that demonstrate the growing pains that this state is facing. However, the numbers do not stack up. There has been an increase in the vehicle fleet. However, that increase is not reflected in those figures. The reality is much closer to the national ratio of 764 vehicles per 1 000 people. There is no doubt that there are extra vehicles on our roads. I am contesting whether there are an extra 500 000 vehicles on our roads. However, regardless of that, there has clearly been huge growth in this state. There has been a huge influx of people. The government views that as a problem. The government has failed to do the planning to accommodate that growth in population.

George Megalogenis has talked about this in articles and presentations on various programs. In his latest quarterly essay, titled "Balancing Act: Australia between Recession and Renewal", he says that we need to do the planning first. He states —

... when the economy is slowing and federal and state budgets are in deficit, politicians are more risk-averse. They are likely to see congestion back-to-front, as the fault of excessive population growth rather than poor government planning.

That is what congestion is. The congestion crisis that this state is facing is the result of poor government planning. The government should have foreseen that the number of people coming into Western Australia would increase. It should have seen that as a golden opportunity for this state. I share the Treasurer's view on the

benefits that are provided by that influx of people. The growth and enhancement of the multicultural community is of great benefit to the state. I publicly mentioned this to the Treasurer and said that he and I are one on that point. We totally agree that the cultural contribution and wealth generation that comes to this state from people from different backgrounds is enormous.

This point is backed up by Professor Bob Gregory from the Australian National University. He has done some great studies into this issue. He has said that migrants account for virtually all the full-time jobs created in Australia since 2007. He has said also that migrants have not displaced the locally-born but have taken the cream of the new positions on offer, most notably in the professions, and that our extraordinary economic success since the global financial crisis owes a great deal to the increased level of national income generated by these latest arrivals. Professor Gregory concludes —

Mining booms come and go but large population changes last forever.

Professor Gregory mentioned something very important. The comments of the federal Minister for Immigration and Border Protection in the past few days suggested that refugees are illiterate and innumerate. He managed to confuse things; in the news grab I heard he said migrants did not have the numeracy skills to contribute, are illiterate and innumerate. He was making a comment that did not make sense anyway, but it was insulting and offensive to many migrants and refugees who come to Australia and make a tremendous contribution. It was a disgraceful comment that has already been dubbed the “English Overboard” affair, because he was suggesting that the people who come here are incapable of learning the English language and fitting in. It was a most unfair jibe at people who come to this country. As Professor Bob Gregory pointed out, people from a migrant background make an enormous and tremendous contribution to this country that we should be championing and talking about. In Sydney, 39 per cent of the population was born overseas. In Perth—I am quoting from George Megalogenis’s article—the first generation is 37 per cent of the population, and the second generation is another 25 per cent. We are indeed a very multicultural capital and we need to be proud of and recognise that.

The article by Megalogenis considers liveability. With the growth pains—the failure of the government to plan adequately for the influx of people—we have seen a change in Australia’s liveability rankings; they are interesting. Perth does not do as well as Melbourne, which is ranked first in the Economist Intelligence Unit rankings; Adelaide is equal fifth; Sydney is seventh; and Perth is ninth. That score is based on wealth, relative population densities and other factors. The wealth brought to this state by migrants should have motivated us to plan for their arrival. We should have been anticipating it and making sure we had the infrastructure in place, not suggesting, as the Treasurer did in opening his budget speech, that this was a problem we could not have, and were incapable of, anticipating. The growing pains we have gone through and are still suffering—we will all be trying to get into the city for nine o’clock or 8.30 tomorrow morning and we will be lamenting the traffic jams around the city—are very much of the making of a government that did not anticipate the problems we would face if we did not put the planning in before we had the incredible resources boom we went through. If the government had put that planning phase right up front—if in 2008-09 we had really done the planning in anticipation of this population increase—we could have perhaps made some linkage to those resources projects. There may then have been the possibility of having a financial contribution come across directly from the resources sector into infrastructure projects so that we would not be in the current situation of trying to retrospectively provide transport infrastructure after the wealth of the boom has moved on. We could have made a connection between the two. That would have made a huge difference. We would have seen the growth of our transport network, while at the same time servicing the population increase over the past eight years. The past eight years have been marked by a resources boom that has now gone, and it has been marked by a population increase that has not had its needs met by the infrastructure that should have been developed in anticipation of, and alongside, that resources boom. The sad fact of the budget is that we have this \$4 billion deficit and this \$40 billion state debt. People of my electorate are disturbed and frightened by that. They see the numbers. I do not know that anyone can necessarily comprehend numbers as big as those we face in our deficit and in our state debt, but they realise the numbers are enormous and that there will be long-lasting consequences because of the state debt and deficit that we have. When we have a situation in which the year-on-year deficit is greater than the state debt when the Liberal–National government came to office, it is a reflection of very poor economic management. It is categorical. It is very clear. People in my electorate see those figures and are terrified by them.

The next thing they do is look for any mention in the state budget of areas such as Gosnells, Thornlie and Maddington. They look for the promises for improvements and what sort of improvements there are. When I looked at the government’s media release on the east metropolitan region, there is no mention of any particular project that has suddenly become a priority for the government or a project of concern. However, I did see a drop in the available funds for a level crossing, a grade separation project, at Nicholson Road and for the freight line that goes through to Kwinana. That line will eventually run parallel to the passenger line, when we have the extension of the Thornlie train line. There is no mention at all of the extension of the Thornlie train line.

There was an election promise in 2013 that all schools that were older than 1970s schools would get a dramatic upgrade in their facilities and that funds would be made available to upgrade schools that were constructed in the 1970s. There is nothing in the budget about those schools at all.

In the one project that relates to my area—the Nicholson Road grade separation—we see a drop in funding of \$8.6 million. I hope the government has done its sums. My understanding is that there was a contribution of \$18 million from the federal government and \$18 million from the state government for the grade separation project. It sounds like a fairly substantial project when it involves currently six traffic lanes, and we will have two freight lines and two passenger lines. To achieve the grade separation there, I would imagine it will require a fairly hefty budget. It was \$36 million. I know it requires all sorts of noise and vibration mitigation and construction and engineering. The member for Southern River might be able to clarify this for me, but page 742, budget paper No 2, volume 2 confirms a reduction in the money for that project of \$8.6 million. We have gone from a \$36 million budget to well and truly less than \$27 million budget.

Mr P. Abetz: The federal government said it would fund up to \$18 million or 50 per cent, whichever is the lower amount, and it looks like it is coming in at \$27 million.

Mr C.J. TALLENTIRE: Thank you, member for Southern River. It concerns me though that we are already reducing in the budget the funds available for a project that has not even begun construction. The only work that has begun so far is that some signs have been put up that say the works will be completed by the end of 2017.

Mr P. Abetz interjected.

Mr C.J. TALLENTIRE: They are there. Signage is one thing, but real on-ground work is what the community wants to see. I know people in my area. They are appreciative of smaller things as well, and they are happy to accept that it will not always be something that will take big dollars to achieve a satisfactory outcome. I refer to the response of the Minister for Transport to a request of mine to make anti-theft screws on car numberplates mandatory and to require that in all new car sales anti-theft screws attach the numberplate to a vehicle. It is a very simple idea. We simply tell the car yards to ensure that new cars are fitted with these anti-theft screws. I thought that that was a simple enough request. I thought that it was an important one to make because we know that, in the Perth metropolitan area, between 2010 and 2015 the number of numberplates stolen has more than doubled.

[Member's time extended.]

Mr C.J. TALLENTIRE: We have seen car numberplate thefts double, from 3 049 in 2010 to 6 570 in 2015. In my area the number of thefts has gone from 199 in 2010–11 to 407 in 2014–15. That is a terrible thing. These vehicles with stolen numberplates are being used for all kinds of crimes. Sometimes it is relatively minor hooning but often they are used for more serious crimes as well. Why would we not accept that it is a good idea? Yes, it has come from Labor, and it has come from this side of the house, but it has also come from Neighbourhood Watch members. The Neighbourhood Watch people in my area have said it would be a good idea to make it a requirement that all cars be fitted with anti-theft screws. However, the minister, although not responding directly to my letter to him, responded via the media, saying —

“The Department of Transport has no evidence to indicate that such a law will deliver any direct benefits to the wider community ...

“As with any security device, criminals find ways to circumvent the protection offered and anti-theft screws for number plates also have devices designed to effectively remove them.

“Vehicle owners have the voluntary option to purchase antitheft screws for their number plates if they wish.”

That is a very lazy response from the Minister for Transport. The minister could have seized on this idea, and agreed that we have a problem, as is confirmed by the statistics. There has been a doubling in the number of numberplate thefts in the past four years, and then there is all the subsequent crime that occurs when a vehicle has stolen plates attached to it. What a great way to snuff that problem out, but the minister has chosen to ignore that idea. The local Neighbourhood Watch people are very disappointed by that.

Leaving matters of local crime and switching to some of my portfolio interests, I have to say that the government's response to the Perth and Peel Green Growth Plan continues to bewilder many of us. The most telling criticism comes from local governments. Local governments, of course, have their town planning schemes and biodiversity plans. They know their areas intimately. They know the environmental values, where the population pressures are, where the urban and urban deferred areas are. They have all that mapped out, but when I hear from individual local governments about the green growth plan, they tell me that they have not been spoken to over the past five years. I know that the Minister for Environment has said in this place that five years of careful work has gone into the green growth plan. I do not doubt that; I have a lot of respect for the bureaucrats who have been working on this plan, and I know that they have been doing their best to work with the commonwealth. However, what a failure of process if there has not been good liaison with the various local governments. I have been hearing reports from Wanneroo and from my own Gosnells. All around, I am hearing that they were not properly consulted. If the minister doubts what I am saying, I suggest he has a look at some of those submissions from various local governments.

Mr A.P. Jacob: I point out that the City of Gosnells supported it.

Mr C.J. TALLENTIRE: Yes, I have the submission here, minister. It states that the city is generally supportive of the process undertaken in the preparation of the strategic environmental assessment of the Perth and Peel region, but then it goes on to point out some of the problems, and some of the things the city would like to see. The City of Gosnells document suggests the following —

Specific comments on elements of the Plan are as follows.

...

Include a statement clearly explaining how these environmental documents:

1. Inform the over-arching long term draft Strategic Planning document(s) for Perth and Peel by the WAPC; and
2. Are to be used in the assessment of strategic and statutory plans by State Government agencies and Local Government prior to final approvals by the State Government/WAPC of the sub regional planning frameworks.

It is a pretty basic thing. The city is unclear about that and has asked for it to be clarified and included in the executive summary, but then the city gets into the detail, because it knows its areas really well—it knows the patches. The city has pointed out an area, for example, in Wattle Grove. The document states —

This land is reserved in the Metropolitan Region Scheme (MRS) as Public Purpose and is a quarry. It should be removed from the urban categorisation.

There is one example. The document also refers to an area of land zoned urban in Kenwick. It states —

This land is reserved in the MRS as Public Purpose and forms part of the Greater Brixton Street wetlands. This should also be removed.

The document goes on. This is just one local government that is in the strategic assessment area—the Perth and Peel green growth plan area—and clearly —

Mr A.P. Jacob: They are not strategic assessment-related concerns; they are MRS planning concerns.

Mr C.J. TALLENTIRE: The city is saying, minister, that in the strategic assessment, the areas have been identified wrongly. It has been said that an area is for urban development and it is actually a quarry. That is just an example of how the detailed work has not been done. It could have been done simply by people in the Department of Planning and the Department of Environment Regulation having the time to properly liaise with various local governments, not putting out that document, as was done just before Christmas last year, and assuming that local governments would all be able to make submissions on it and pick up the areas. I think the government could have individually liaised with the local governments before producing a final document and it would have avoided all these problems. I know there are similar problems in many other local government areas. That is undermining community confidence in this whole process.

We can add to that all the concerns about things like the minister's statement that the additional area that will be cleared is three per cent more than what has already been cleared, and that will accommodate quite a significant increase in population. Then, the minister said that known approvals in the system had to be added and he then mentioned that there are unknown approvals. What can they be, minister? Surely in five years we could have gone through the whole of the Perth metropolitan area with a fine toothcomb to detect where the unknown approvals might be so we know exactly what we are talking about. When the minister talks about unknown approvals, people get completely lost, and then they lose confidence in the whole planning process. They think that this system is not being done at a level of detail that will produce a plan for the future. Then, of course, they are concerned about the impact on cockatoo species. The minister and I disagree on that. He believes that it is acceptable to see the Carnaby's black-cockatoo population on the Swan coastal plain have its numbers reduced by 50 per cent. I do not think so. I do not think the community wears that at all. We just do not accept that that level of population decrease is acceptable. The minister has also made claims about the 170 000 hectares that will be added to the conservation estate, as if that is in addition to new land that was not there before—that it was habitat that was not there before—when in reality it is land that is simply changing tenure. I think it is currently for the most part state forest. It is land that is described in the Perth and Peel Green Growth Plan for 3.5 million as having environmental significance and it is there; it is not new land. So, there is a significant net loss and the minister should not pretend that the 170 000 hectares will be a dramatic increase.

In my remaining time I want to quickly touch on an area of the budget about which I will ask the minister for much more detail during the estimates committee, and that relates to the Department of Environment Regulation's work on climate change. I want to draw to the minister's attention the CSIRO's document "Australian attitudes to climate change and adaptation: 2010–2014". The views of people in that document are really disturbing. We have seen a decline in the knowledge base of people about the issue of climate change.

Yes, 45.9 per cent of people accept the science of climate change. That looks good when we compare it with the 7.9 per cent who say that they do not believe climate change is happening. We could say that they are the climate change deniers. They constitute only 7.9 per cent. What is very worrying, and I think this is a reflection of the government's silence on this issue, is that 38.6 per cent of the population think that climate change is happening but it is just a natural fluctuation in earth's temperatures—happening but natural. A major chunk of the population believes that. They have been shielded from the science and I think the Department of Environment Regulation has to be resourced to do better to make sure that people understand that anthropogenic climate change is occurring. That is a job of the agency and the minister. The fact that the minister is shielding people from the facts is not helping at all.

The organisations that people trust for information on climate change are very interesting. The highest points go to university scientists—they are the most trusted for information on climate science—followed by environmental scientists, followed by environmental organisations, followed by doctors. I am afraid well down the list are car and oil companies. It is interesting to see who people trust for getting information on climate science.

Mr A.P. Jacob: Where do politicians come on that list?

Mr C.J. TALLENTIRE: I guess politicians would be in the government category and, unfortunately, it is down towards the end. That reflects the need for us to ensure we have other ways to get the information out there. We need people to be properly engaged. I am sure that the minister will be telling me in the estimates committee how many people he has working on climate change, working with agencies, working on adaptation measures, but most importantly working on some sort of mitigation measure for Western Australia so that we do our fair share and can call on the rest of the world to reduce its greenhouse gas emissions, and so that we do not become the victims of climate change any more than we already are. Things such as 20 per cent decline in annual rainfall are already having a very dramatic impact on our agriculture and our way of life in so many ways, such as with the cost of our water supply. Running desalination plants is much more expensive than using dams for water supply. We are already feeling the consequences in a dramatic way.

Debate adjourned, on motion by **Mrs L.M. Harvey (Deputy Premier)**.

House adjourned at 10.13 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

**WATER CORPORATION — SUPPLY RESTRICTIONS — METROPOLITAN, AGRICULTURAL,
MINING AND PASTORAL AND SOUTH WEST REGIONS****5284. Mr D.J. Kelly to the Minister for Water:**

For the financial year 2014–2015 for the North, South, East Metropolitan, Agricultural, Mining and Pastoral and South West regions, I ask:

- (a) how many ‘restriction of supply’ notices have been issued for each month for Water Corporation customers;
- (b) how many Water Corporation customers have requested a payment plan;
- (c) how many Water Corporation customers have entered into a payment plan;
- (d) how many Water Corporation customers are still on a payment plan;
- (e) how many Water Corporation customers have been pursued through legal avenues over non-payment of bills;
- (f) how many Water Corporation customers have applied for the Water Assist Scheme; and; and
- (g) how many Water Assist Scheme applications were approved?

Ms M.J. Davies replied:

For the financial year 2014–2015, in total across the state:

- (a) 123 887 restriction of supply notices were issued.
- (b) 85 134 customers requested a payment plan.
- (c) 85 134 customers entered into a payment plan.
- (d) 17 063 customers remain on their payment plans as at 23 March 2016.
- (e) 1 820 customers were pursued through legal avenues over non-payment of bills.
- (f) 275 customers applied for the Water Assist Scheme.
- (g) 204 Water Assist Scheme applications were approved.

The division of this data into the electoral regions requested is being processed and will be provided in due course.
