

**Extract from Hansard**

[ASSEMBLY - Tuesday, 22 September 2009]

p7439b-7476a

Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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**ROYALTIES FOR REGIONS BILL 2009**

*Second Reading*

Resumed from 17 June.

**MR C.J. TALLENTIRE (Gosnells)** [9.27 pm]: I rise to speak on the Royalties for Regions Bill 2009. I will offer some insights into a situation that I have observed about channelling public funds into different demographics in our society. All members will be aware of the plight of Indigenous people in Western Australia, and the particular difficulties faced by Indigenous people in the east Kimberley. It is obviously a matter of note that the Kimberley is a region that has much potential wealth in the form of liquefied natural gas. The Browse Basin project is something that perhaps has strayed away from the collective mind a little, as people have focused so much on the Gorgon proposal in recent times. However, there is no doubt that the Browse Basin is a gas reserve of enormous proportions. We have all observed that there are people who live in extreme poverty in the east Kimberley region, while there are huge gas reserves off the coast of the Kimberley in the Browse Basin. I have observed how difficult it is to develop a scheme to enable the potential wealth of the Browse Basin to be made accessible to the people of the Kimberley.

Members of the Kimberley Land Council, including its CEO, Wayne Bergmann, were involved in discussions on the various Browse Basin projects; one was principally put forward by Woodside Petroleum Ltd and its partners, and the other was the Inpex project. The Kimberley Land Council was very active in discussions around those projects from a very early stage, but it soon became apparent that the only mechanism that was really open to the Kimberley Land Council to ensure that it would benefit from the financial bonanza that would accrue from the exploitation of the Browse Basin gas field was through the Native Title Act and various compensation measures that could occur if the gas were to be processed in the Kimberley region. This has therefore made it rather awkward for the Indigenous people of the Kimberley to look at projects, from the perspective of the preservation of their cultural heritage or from an environmental perspective, that might have been more acceptable as a location for the eventual Browse Basin gas-processing facility. We all know that the government has made the decision to press ahead with the James Price Point option, but it is only a couple of years ago that a discussion was had on other options. There was a desire, I think particularly on the part of Woodside, to go to Scott Reef. There was another option being looked at, which was to pipe gas to the Pilbara and add on to the existing Pilbara liquefied natural gas developments there. However, those options immediately brought to light the problem that the massive wealth of the Kimberley would not then pass on to the Indigenous people of the Kimberley.

When we come to the Royalties for Regions Bill, it is interesting to note that something appears to have been created as a mechanism for channelling wealth from the people of one region to the people of another region. I will recount a little more on the deliberations around the location of the Browse Basin gas-processing facility. There was obviously a lot of intense debate around it and likewise with the Inpex proposal and its portion of the Browse Basin. Members on the government benches in this house quite misleadingly put their case that the then Premier and the then Treasurer, now Leader of the Opposition, were somehow negligent in dealing with the Inpex company. Nothing could be further from the truth. The fact is that the Inpex proposal to put a gas-processing facility on the Maret Islands was environmentally unacceptable. It was not acceptable to the Indigenous people of the Kimberley. It was a proposal that eventually the most senior executives of Inpex Corporation—not the Australians located in Perth and working for the company—who came out from Japan to meet with people realised was seriously deficient in a number of regards, especially in regard to the preservation of the environmental values of the Maret Islands and in regard to the acknowledgement of and respect for the Indigenous heritage of the region. That is therefore why Inpex eventually realised that it had to look at other options and why it eventually went into negotiations with the Northern Territory government. It has nothing to do with other issues that had been raised around how the company was not getting the right sort of treatment from the Western Australian government. That is absolutely false and that is something that needs to be said again. I have already said it in this house but it seems that this myth continues to be put forward by the government that somehow something went wrong with the negotiations with Inpex. That was completely false.

The issue of making sure that the royalty wealth from one region goes to those who most need it is at the centre of this legislation. It must be said that on the face of it the wealth that will be channelled through this Royalties for Regions Bill will not go to those who are necessarily the most needy in our community. I do not see anything in this bill that highlights that the Indigenous people of the east Kimberley will receive their due share, given the plight of their circumstances and the abject poverty in which many of those people live. I do see, though, that this bill has been designed principally as a mechanism for getting money to the wheatbelt region. Some people

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there probably do not enjoy particularly wealthy circumstances and do face certain hardships because they are living in rural areas. They do not always have the same level of services that we might find in metropolitan areas; nevertheless, they are not people who could be categorised as suffering from the same level of abject poverty that we might see in parts of the east Kimberley. The mechanisms that have been developed in this bill, therefore, are unique and extraordinary. This bill leaves me asking why we have been unable to develop a mechanism that is targeted towards giving royalty wealth to those who most need it, and not just to those who are in areas of the state where the political leanings of the electorates are more towards the National Party than to elsewhere. I suppose my fundamental concern with this legislation is that I regard it as mostly a means of providing funds to regions that will be used for making the National Party look particularly good. That is my concern. It is a disappointment because this mechanism that has been found could have been used for real good; that is, to channel funds to those in our society who most need it.

Whereabouts are those who most need it located? It must be said that they are not all in the Kimberley or in other regional areas. It is fair to say that many people in my electorate of Gosnells are also suffering from very serious circumstances of financial difficulty. I do not foresee any of this money going to those people at all. As someone who represents a metropolitan electorate that has probably far more than its fair share of poverty, I find it very hard to swallow that this money will not go to people in my electorate who really could do with some of the essential services that people in other parts of the state and the metropolitan area take for granted. I am talking about basic services that mean a lot to people on low incomes. People in my electorate value their security. They are always concerned about attacks from people whose antisocial behaviour makes their life difficult. A number of cases have been reported to me of Homeswest tenants playing havoc in the streets and upsetting the peace and quiet of neighbours. These sorts of cases could be resolved if there was a more intelligent and more equitable use of this royalties for regions funding. Other measures could be put in place, such as assuring the community that there is ongoing support for the Eyes on the Street program in the City of Gosnells, which is exactly the sort of program that should be given some guarantee of its longevity through access to royalties for regions funding; likewise funding for police and citizens youth centres and making sure that there are extra police at Gosnells Police Station. These are things that people desperately want. People in my electorate have been extremely frustrated to find that hooning could be significantly reduced by putting in mobile speed bumps, but that they are not available because massive amounts like \$400 million are going to royalties for regions but not to the people of my electorate. Where is the equity in that?

**Mr B.J. Grylls:** Sounds like a campaign!

**Mr C.J. TALLENTIRE:** That is really the core of my speech. There is a serious inequity here. There are other things that are desperately needed in the Gosnells electorate and I would love to hear from the Minister for Regional Development that he will make sure that there is an equitable distribution of this funding stream and that it will go to people right across the state who need this money. If there is no desire on the minister's part to send the money to Gosnells, that will be extremely disappointing. I think people in my electorate will be somewhat surprised when they realise that the government of the day in Western Australia does not regard them as citizens who merit the support of the government of the day.

There are many other things that I could list that are desperately needed in the Gosnells electorate—things like ensuring that our bus fleet is upgraded, making sure that we have better services in schools for students whose mother tongue is not English, and making sure that programs are in place to deal with the day-to-day traffic jams that many people in my electorate face around Nicholson Road. This costs people an hour of their time morning and night. They are suffering a serious diminution of their quality of life because of the time they have to spend in traffic jams getting to their places of work or getting their children to school. It is unfair that they have to deal with those things when people in other parts of the metropolitan area are able to find much more streamlined public transport and infrastructure.

It is interesting that the scheme of allocating royalties to regions was never mooted when we were initially looking at the plight of Indigenous people in the Kimberley. It is extremely disappointing that a program has not been developed to ensure that funds go to those who most need them. Instead, there seems to be a certain political bias in where the money is going. The technicalities of the bill need to be explored, and I am looking forward to participating in the debate as we proceed, to find out whether it really is feasible to channel funds in this way. I look forward to hearing debate on the matter, but I have raised those concerns. I will be interested to see how people in the metropolitan electorates of Perth feel about the potential inequity of this bill.

**MR F.M. LOGAN (Cockburn)** [9.42 pm]: I rise to say a few words on the Royalties for Regions Bill 2009. We have just completed consideration of the Waste Avoidance and Resource Recovery Amendment Bill 2009. One

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of the major criticisms made of the government by the opposition in the debate on that bill was that the government was raising the waste levy to the proposed amount as a way of cost shifting. Part of the cost of running the department was to be shifted to become a burden on ratepayers in Western Australia through their council rates for the disposal of waste and the operation of landfill sites. The opposition made the point very clearly that the Waste Avoidance and Resource Recovery Amendment Bill was not imposing a real environment charge but a tax increase for the purposes of shifting the cost of running the Department of Environment and Conservation from the state government to local government and ratepayers in Western Australia. We could have the same situation with the bill now before the house.

I draw attention to the issue of infill sewerage. I have pointed out in this place a number of times the real inequities the cancellation of the infill sewerage program has caused for Western Australians in both the metropolitan area and rural and regional Western Australia. Members have heard me go on at length about the way in which cuts to the capital works program were made in the budget, particularly to the capital works program of the Water Corporation. Nearly \$600 million in capital works expenditure was cut out of the Water Corporation's forward estimates. Of that amount, \$100 million was the total cost of the infill sewerage program; that is, to effectively complete the undergrounding and the connection of people's homes to sewerage throughout the whole of Western Australia. Members have heard me go on at length about how the cancellation has impacted on Spearwood in my electorate. The reason I keep going on about the effect on Spearwood is that, of all the houses remaining to be connected to infill sewerage in Perth, 25 per cent are in Spearwood and Coogee. It is quite right that I am very upset about what the government has done and about how the Minister for Water has failed to defend his budget from the cuts by the Treasurer.

However, as members would have heard from my speeches, many other places in Western Australia have suffered from the cuts to the infill sewerage program. For example, I know that the member for Murray-Wellington is very angry about the cuts that have been made to infill sewerage for his constituency, because of the fact that the program in that area has been deferred completely. The member for Dawesville is also privately very angry about the fact that the program to connect the remaining houses in his electorate to the sewerage system, which was underway at the time the budget was brought down, was cut and the work was stopped and the contractors were taken off the job. Mt Barker is another regional area that was ready to go. Along with Spearwood and Dawesville, it was lined up as the next project. It was to be completed by July next year. The contracts had been let and the contractors had all their equipment in place.

**Mr D.T. Redman:** What was that contract for? I did not hear the first part of that sentence.

**Mr F.M. LOGAN:** I was talking about the cuts to infill sewerage in Mt Barker. It is not only the metropolitan area that is being affected; it is also regional Western Australia, including Mt Barker.

**Ms A.J.G. MacTiernan:** It is probably having even more effect in regional Western Australia.

**Mr F.M. LOGAN:** A significant number of the properties that are left to be connected to sewerage are in regional and rural Western Australia. The point I was making about Mt Barker is that it was to be completed by July next year. It would have finished off the infill sewerage project in Mt Barker completely. Now that is gone. The contractors were ready to go, and had all their equipment ready. I know that, having spoken to those contractors. But that project has been cancelled.

The bill details a number of funds to be created, such as the country local government fund, the regional community service fund, and the regional infrastructure and headworks fund. The programs that exist within the funds have the capacity, I believe, to meet the requirements of regional and rural Western Australian homeowners who have been left out of the infill sewerage program. I am asking the Minister for Regional Development whether there will be an opportunity for homeowners in rural and regional Western Australia—Mt Barker, for example, which was ready to go—to connect into the sewerage system. Whether it is organised by the homeowners themselves or coordinated by the local council, can these people apply for funding from the regional infrastructure and headworks fund, which is part of the royalties for regions program, to complete the infill sewerage program? I am seeking an answer about that from the minister. Does the minister have the power to do that? Clause 12 of the bill relates to the functions of the trust and states —

The functions of the Trust are —

- (a) to provide advice and make recommendations to the Minister for the purposes of sections 5(2) and 9(1); and

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- (b) to provide advice and make recommendations to the Minister on any other matter relating to the operation of the Fund that is referred to it by the Minister.

However, the minister has the ultimate power, after receiving advice from the trust, about how that money will be expended. When the Minister for Regional Development responds to the second reading debate, he might tell us whether the royalties for regions fund can provide funding for the infill sewerage programs that have been unfairly targeted by the Water Corporation with the approval of the Minister for Water. Those programs have been completely removed from the four-year forward estimates. The minister is shaking his head. I find that surprising. The third fund that comes under the royalties for regions funding is the regional infrastructure and headworks fund. If infill sewerage is not classified as “infrastructure”, what is it? Surely to goodness one could not find a better example of infrastructure that is critically needed by people regardless of where they live in Western Australia.

**Mr B.J. Grylls:** You would be arguing for money to be spent outside of the area in which it is generated.

**Mr F.M. LOGAN:** I am trying to get a handle on how the royalties for regions fund will be expended and on what fits the minister’s personal definition of what expenditure from that fund can be used for. If I were living in Mt Barker and was expecting my sewerage to be connected and finished by next July, which they, along with the people in Spearwood and Dawesville believed, I would be jumping on the minister’s back and asking why the royalties for regions fund cannot be used to replace the funds that have been cut by the Treasurer from the Water Corporation program.

If moneys from the royalties for regions fund can be used for the infill sewerage program, is it a question of cost shifting? That comes back to where I initially started. If the minister uses that fund to connect people in regional Western Australia to an infill sewerage program—it may well be used for that in the long run—the opposition must ask why people in Perth will miss out on being connected to infill sewerage yet people in regional Western Australia will get it. A significant proportion of the money that might well have been spread across Western Australia will have been taken out and put into the royalties for regions fund and that money, which could have been used by the Water Corporation to connect people in Spearwood, will have been completely removed and a significant slab of it will have been used for the royalties for region funding. Some of that money might then be spent on infill sewerage programs in rural and regional Western Australia. If that happens, people in Perth will jump up and down and they will be very upset about it.

On the other hand, the people who live in rural and regional Western Australia, when they look at the huge bucket of money that sits in the royalties for regions fund, will ask why it cannot be spent on fundamental infrastructure such as infill sewerage. That infrastructure is essential to people’s hygiene and health and to the efficiency of the wastewater system. Why can it not be spent on that? If they observe the royalties for region fund being spent on tiny things such as a ride-on mower for a model aero club in a small regional town, they might well say, “That’s all very nice for the model aero club but I am not connected to the sewage plant up the road. I am sure that my request for connection to the sewerage system is a bit higher on the priority list than is a ride-on lawnmower for a model aero club in a regional town in Western Australia.” That is what I would be saying if I were living in Mt Barker and I am pretty sure that that is what they will be saying to the local member when they find out how the royalties for regions funding will be spent across Western Australia.

The minister has indicated, simply by a shake of his head, that the royalties for regions funding will not be expended on infill sewerage. The minister will find that when the people in country towns who are not connected to the infill sewerage system find out that there is a headworks and infrastructure fund but they cannot make an application to use that money to be connected to the infill sewerage system because the minister does not think it is appropriate, they will be very angry indeed. That will be the case when they compare their own problems of being unable to connect to the infill sewerage program to the way in which the fund is being expended on very minor things, as far as they are concerned, across rural and regional Western Australia. I am sorry to see that the minister will not use the funds for infill sewerage. As I said, I think he will find that many people, particularly in Mt Barker who are expecting to be connected to infill sewerage, will be very angry that the royalties for regions fund cannot be used to provide them with the very basic service that would enable them to dispose of their sewerage without it having to go into a septic tank.

**MR R.H. COOK (Kwinana — Deputy Leader of the Opposition)** [9.49 pm]: I will make some observations about the Royalties for Regions Bill 2009. Earlier this evening I was very pleased to hear the member for Gosnells talk about the difficulties faced by the Kimberley Land Council in its negotiations with the government in relation to James Price Point and the continued development of the North West Shelf. Aboriginal communities often find themselves engaged in these types of discussions with governments and/or businesses. In seeking to

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produce an outcome for their communities, they find themselves negotiating for the provision of basic infrastructure for their communities. There is a very great sense, particularly in the Pilbara where I was involved, that the mining companies make a significant contribution to the infrastructure of the communities. Aboriginal people continue to negotiate on what can only be described as a hopelessly unequal playing field on behalf of their community to hopefully gain some resources. Often they must enter into negotiations over very basic infrastructure. So, if it does nothing else, royalties for regions may present an opportunity to change the lives of Indigenous people, particularly in the north west.

**Mr B.J. Grylls:** That is one of the most challenging things that we are facing. This presents a unique opportunity for both sides of Parliament to do that. I pay full credit to the former Deputy Premier for the Ord final agreement, because that has given us a great framework for the east Kimberley. Hopefully with that agreement we are sending a clear message to the other traditional owner groups that we can come together and sort out native title, and we can move forward on a major project and engage the traditional owners in that project. That was a very good effort by you and the former government.

**Mr R.H. COOK:** I thank the minister. The minister is right. Native title has provided an opportunity for Indigenous people to get a very small grip on controlling their lives and their economic destiny. The Indigenous people are holding on to that, because they do not know what is around the corner and what the next opportunity to enter into those discussions will be once native title is resolved. My experiences in these matters were formed when I was the chief executive officer of the Pilbara Native Title Service. That service is run by the Yamatji Marlpa Barna Baba Maaja Aboriginal Corporation. The Pilbara Native Title Service, like the Kimberley Land Council, was involved in a range of negotiations across the mid-west and the north west. In those negotiations, the Pilbara Native Title Service was discussing things that were essentially about what Indigenous people should expect as citizens of Western Australia. It was negotiating basic things such as roads, schools and housing. In its discussions with the mining companies and so forth, the Pilbara Native Title Service should have been negotiating much more elaborate and much more exciting economic opportunities for the Indigenous people it represents. In his second reading speech on this bill, the minister made a number of observations about the opportunities that exist within this bill for the people of this state. The minister said —

The central and simple principle behind this legislation is that every person in Western Australia should be entitled to basic services and infrastructure, no matter where they live ...

In our work with traditional owner groups, we visited and revisited this issue constantly. The people who live in Indigenous communities have the right to expect the same level of service, the same level of infrastructure and the same economic opportunities as everyone else in the community has the right to expect. The minister went on to say —

It is about people being encouraged to live and grow within their communities, to bring up families without having to move to cities for education or health services, to become long-term residents and to drive a plan and future for their own communities.

These sentiments resonate constantly in Aboriginal communities, because the people in these communities are having to defend the very existence of their communities. This bill will enshrine those very principles around which Aboriginal communities are constantly having to engage and communicate with government and with mining companies, and which they are constantly having to justify. It is interesting to see some of the rhetoric that is emerging, particularly from the Treasurer and Minister for Housing, and also some of the intimations from the Minister for Indigenous Affairs, about whether many of the Aboriginal communities around the state are sustainable or viable in the long term. Yet the aspirations of those Indigenous communities are the very aspirations that are expressed in this bill—that is, that all of the people in Western Australia have the right to live in their country and in their community and receive a level of service.

I have some anxieties about the management of royalties for regions. I suspect that it is not about enabling Aboriginal communities to live in their country and to practise their culture within the communities in which they live. However, it is important to note that that may be one of the very powerful mechanisms that is provided in this bill. The Indigenous Implementation Board recently brought down its first report. The Minister for Indigenous Affairs tabled that report last week. That report talks about the capacity for Aboriginal communities to be empowered and to be given the governance to take control of their lives. Importantly, from the perspective of the authors of the report, it talks about enabling Indigenous communities to engage with government in the planning and decision making about infrastructure and other issues that affect their lives. One of the recommendations of the board was that, through royalties for regions, a recurrent stream of funding be allocated to enable Indigenous leaders to engage their communities in regional planning. This recommendation is very

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important, because it acknowledges that Aboriginal communities have an important role to play in engaging with government to ensure that we provide a level of government beyond the twenty-sixth parallel. I understand that the minister would probably not have had an opportunity to consider the contents of this report. However, that would be a really important contribution of the royalties for regions program. Royalties for regions should not be simply about toilet blocks in wheatbelt towns. It should not be simply about community projects in south west towns. It should in large chunks be about bringing sustainability to the north west—the Pilbara and the Kimberley—to ensure that not just mainstream Australian communities but also Aboriginal communities are given the opportunity to move forward and are given the resources to engage with government and with industry to ensure the economic development of their communities.

**Mr B.J. Grylls:** I would be happy to sit down with you at some stage and spend an hour or so on that whole idea of regional governance and Indigenous leadership. The proposal that was put forward by Sanderson was very similar to the proposal which he put to the previous government but which was not accepted. I am, and have been, working quite closely with John on this. I think there is a lot of merit in what the board is talking about. However, for this to work, it would need the input and the grunt of the whole Parliament to see if we can make some changes. This is not an easy policy change that we are talking about. Devolving responsibility from centralised bureaucracy to regional areas is a big enough step. The next step forward to Indigenous leadership has never been successfully done before, but it would be a great achievement if this Parliament could do that.

**Mr R.H. COOK:** I will take the minister up on that offer. It would be an important step forward. People have heard a lot of rhetoric about royalties for regions. I think the Aboriginal community could be forgiven for thinking that, once again, when we talk about royalties for regions and about resources going into communities, we are not necessarily talking about them. I guess they have quite a few years of evidence to demonstrate that.

I want to conclude by reflecting momentarily on the issues that confront the Aboriginal community. I also want to talk about how Aboriginal people are treated by the state, and place that in sharp contrast with how other people are treated by the state. Last week, there was a rally outside Parliament of some very angry people who were protesting about the treatment of Mr Ward last year. At that rally, Daisy Ward gave a speech. That speech is worth bearing in mind as we contemplate royalties for regions, because it goes to the heart of what we are talking about here. It goes to the heart of changing the paradigm of the way in which we provide infrastructure and the cultural context in which that is provided. The speech is titled, “A Future for my People”. In her speech, Daisy Ward said —

Why am I here? I’m here to ask for justice and for my people to be able to live freely on their own lands. On the 26<sup>th</sup> January 2008 my brother was arrested for drink driving in Laverton, a town between the Goldfields and desert of Western Australia. He was 500 kms from his home community when arrested and was meant to take the 400km escorted ride to the Eastern Goldfields Prison in the regional centre, a mining town called Kalgoorlie.

The air conditioning in the van was broken. This was reported a month earlier. The van was not suitable for transporting humans. This was known a year earlier. It was 42 degrees outside and much hotter inside the metal van. He was cooked alive. He died in a way you wouldn’t want an animal to die. A private security firm called GSL, now called G4S, was responsible for his transport. Where was the duty of care?

The State Coroner heard many days of evidence. 18 months after his death, the matter has still not been resolved. No charges have been laid. It was not until the Coroner brought down his findings that the two drivers were stood down by the company.

My brother fought strongly for his family, his culture and his lands, the Ngaanyatjarra Lands of the Gibson Desert. He wanted us to have the title for the Gibson Desert Nature Reserve. He spoke up with our own Law men or elders, with our own community leaders working out the future for our children. He spoke to non-Aboriginal staff and tried to educate them in our ways through cultural awareness. He encouraged the children to be proud of their culture, to stand tall. He checked up on the teenagers to help them respect themselves and their families. He guided them away from substance abuse and into their cultural inheritance. He spoke of all these things all the time. He even went overseas to represent the Ngaanyatjarra Council. He was a great artist and tried to communicate his strong respect for his culture through his art.

Daisy Ward said the following while she was pointing to a glass platter, which was featured at the rally. She said —

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This is his artwork. This is his totem. His mother and his brother's art is in the walls and doors of this very building. It is the spirit of the Gibson Desert. Look up and you can see his totem, his lands, his spirit. We must show the government this reminder so they can not forget us.

I don't want alcohol and leaded petrol to flow across the desert any more. Police and hospitals are sick of deaths from this and so are we. We have had enough of children watching and suffering domestic violence.

We can't move to towns where we are not safe. We can't move to towns with alcohol. We don't want to live in fear of police. Police are supposed to protect us. Current State and Federal Government policies mean the closing down of the smaller communities as services such as schools and health clinics are removed as well as community employment schemes.

I have taken my story and spoken to Professor Ananya from the United Nations. I have shown him this bowl and explained to him the connections between my brother, his art, his death, Parliament and justice. I have done all this last month on these same steps.

For the sake of my brother, I am demanding:

1. The right to live in the communities on the lands where we have lived for thousands of years
2. The right to speak our own languages and be educated in our own languages.
3. Alcohol restrictions
4. Leaded petrol restrictions
5. That my people be treated fairly and respectfully with human dignity by the justice system.

On behalf of my families: THANK YOU

I read out that speech because it does a range of things. In this incredibly eloquent, heartfelt and impassioned plea to the people and government of Western Australia, Daisy Ward said a number of things. First, it is the right of Aboriginal people to live in communities and, in doing so, it is their right to expect services that other citizens in Western Australia take for granted. Secondly, in recognising this, we are creating a paradigm shift in the way we look at these communities and, as the minister pointed out, in how we engage with these communities in an appropriate fashion. If royalties for regions is to do any good, it must address these issues. It is these issues that go to the heart of what is rotten in Western Australia. We have to address the impoverishment; we have to address the disadvantage. Most importantly, we have to empower people. We must do that by undertaking a range of practical measures, such as providing community and social infrastructure—community services—and also the resources that will allow Aboriginal people to engage in government, industry, mainstream community and, most importantly, with their communities to build their strength and governance, which will empower them to move forward.

**MR J.M. FRANCIS (Jandakot)** [10.15 pm]: I will keep my contribution to the second reading debate on the Royalties for Regions Bill 2009 short. My first point is to reiterate a comment I made in my maiden speech. I said that I was a Liberal because I believe that government money should be spent on a community because of what it needs, rather than how it votes. I spent some time considering on what the royalty for regions money would be spent so that I could justify to my electorate of Jandakot why the government was spending so much money in regional Western Australia. My constituents are concerned—and that concern is rightly founded—that it appears they will not benefit an awful lot from this bill.

I have come to the realisation that royalties for regions will not provide an awful lot for my electorate, but it will do a lot for other parts of Western Australia. The parts of Western Australia that I am concerned about are those parts that have been neglected by governments in Western Australia over the past decade. This bill is about reversing the neglect by spending money in regions in which it is needed, not because of the way they vote but because it is the right thing to do. It is also about investing in communities to help lift some people out of poverty and to reinvigorate the Western Australian economy. At the end of the day, we all know that the economy of Western Australia and Australia is driven by regional Western Australia.

A couple of months ago I had the pleasure of doing something that I suggest all members of Parliament who have not done should do. I travelled to the Kimberley with the Minister for Health. We went to Derby, out to Kalumburu and Oombulgurri and on to Kununurra. I had a long chat to people like Father Anscar, who runs the mission in Kalumburu, and I had a good look at some of the problems that the people there face. One of the issues is different from any issue that people in metropolitan Perth face. It is an issue that has arisen because of the remoteness of these communities. It takes a little bit extra to get people to work there and stay there for a

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long period and that has a lot to do with the climate. People from metropolitan Perth who have not worked there on hot days would struggle to do so. We have to put in a little more effort to get people to go there.

I was particular in looking at how the Aboriginal community will benefit from royalties for regions. I will go through some things I found that will benefit the Aboriginal people and the broader Kimberley community. I make the point before I refer to this very short list that every single bit of the money I am about to mention will go to Labor-held seats. An amount of \$130 000 will go to the East Kimberley Volunteer Marine Rescue group to support that vital community service.

**Ms A.J.G. MacTiernan:** These are the National Party target seats.

**Mr J.M. FRANCIS:** They are Labor-held seats. That money will be used to help construct a building in which to store the new rescue vessel, a radio communications centre and an administration office. As a sailor I can advise members that life at sea is extremely important to me. An amount of \$220 000 both this year and next year will be allocated to the Shire of Wyndham/East Kimberley to engage a business development manager to assist that community with the unprecedented development pressures on planning, land development and land release. An amount of \$100 000 each year for three years will be allocated to Rewards Projects Ltd to bolster and develop, on behalf of industry, new export development by carrying out verification work on disinfection protocol. The research is to do with the red-fleshed grapefruit that will be grown in the Ord River irrigation area.

The Warmun community will receive \$100 000 for an innovative program to continue the work of the Gidja total health coordinator to improve all areas of physical, social, mental and environmental health for the Gidja people. That will directly benefit the Aboriginal people in that community.

The Wunan Foundation will receive \$450 000 to assist in its support for Halls Creek Aboriginal people, to help them move from welfare into employment. I have always said that if we can give them the spirit to better themselves, they will do it. We should be proud of giving the gift of genuine help to these people. I think the \$450 000 spent to aid in that process is money very well spent.

The Warlayirti Aboriginal Artists Corporation will receive \$150 000 to support the development of Indigenous art. Obviously, not all Indigenous people can be artists, but some of the work they have done up there that I have seen is extremely impressive. Works from the Kimberley are featured around Parliament, and if we can encourage them to develop their business opportunities through their very impressive art then that is money well spent.

**Mr R.H. Cook:** Member, you have to remember, of course, that that is replacing money that was taken out of the Aboriginal economic development unit of the Department of Commerce.

**Mr J.M. FRANCIS:** The kind of money we are talking about here is far more than any money that may or may not have been taken out.

Several members interjected.

**The SPEAKER:** Order, members!

**Mr J.M. FRANCIS:** The Karrayili Education Centre will receive \$300 000 as part of the construction costs associated with the expansion of the centre to provide improved services in Fitzroy Crossing and the Fitzroy Valley.

The Leaping Joey organisation will receive \$50 000 for the innovative Men's Shed program, which is also up in Fitzroy Crossing. The Shire of Derby/West Kimberley will receive \$145 000 for the much-needed redevelopment of community infrastructure at the Derby Memorial Swimming Pool. I am firmly of the belief, from what I saw in my short time up there, that the best thing we can do to help the health of Aboriginal children is to give them chlorinated swimming pools.

The Broome Historical Society will receive \$100 000, as will the Alan Duff Charitable Foundation, which is an innovative cross-regional project to boost literacy in those communities.

There is not an awful lot in the Royalties for Regions Bill 2009 for the people of Jandakot who voted for me, but I can honestly say that the best thing we can do to help the people of Jandakot and people in metropolitan Perth is to help the people in regional Western Australia. If we help lift the Aboriginals out of poverty a bit more and give them that little spirit of imagination and self-betterment, they are the people who will drive Western Australia, and therefore the Australian economy, into recovery.



**Extract from Hansard**

[ASSEMBLY - Tuesday, 22 September 2009]

p7439b-7476a

Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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**MS A.R. MITCHELL (Kingsley)** [10.23 pm]: I rise to support the Royalties for Regions Bill 2009, and I do so, having had experience of working in regional Western Australia over the past eight years. As I have previously stated, for Western Australia to truly develop we must develop our state outside of Perth. That means having many towns capable of supporting a large number of people with the amenity of a full supply of infrastructure and services.

I will mention a couple of things that I experienced on a regular basis over the many years I worked in regional Western Australia. The first one is obviously the scarcity and cost of accommodation for staff. The obvious place that everyone talks about is the Pilbara, because we hear about the \$1 800 a week rent, having to wait six months to rent a house and waiting 12 months to get an office. Those things make it very, very difficult for any government department or any organisation to function effectively, yet that is what companies and state government agencies are constantly doing. Sometimes it is possible to obtain only second-rate accommodation, but management then has to do whatever it can to get first-rate accommodation, because if we want people to work out there, we must be able to provide them with quality accommodation that would be equivalent to that available in the metropolitan area. Certainly there is a wait for accommodation up there and certainly the rental rates are high up there, but as a manager trying to get staff out into regional areas, I found just as onerous the fact that I had as much trouble in towns like Narrogin, Northam and, to return to the Kimberley, Broome. I had to put a single girl into the Narrogin Hotel. With all due respect to the member for Wagin, it is not quite the right place for a single girl to stay in for an extended period. Also, it was not a good solution to a problem to put someone out of the back of a property somewhere near Kondinin when that person was working in Narrogin. Those things are constant. Everyone thinks that Northam is just over the road. I always wanted my people to live in the town where they were working, not commute from Perth. To get accommodation in a town like Northam was also very difficult. It is not just the Pilbara or the Kimberley; it is much closer than that and it is an issue.

I now move on to some of the infrastructure issues I faced. Dare I say that my staff—I will refer to staff who went to Kununurra and the Pilbara—used to have an arrangement whereby when the partner of a new person in town arrived, the first thing that happened was that person was put in a car and driven to Wyndham, so that when that person came back into Kununurra, at least the gutters on the streets made the town look better. When people went to Karratha, of course the first place they were taken was Roebourne, so that when they came back into town, they suddenly felt a bit better about the place. It is not the best way we should be encouraging people to go out to regional Western Australia. I am an advocate for developing these towns so that they have full services. In particular, the health services and hospitals were well below standards. Once again, my staff were of an age when they were having children, so when they took their partners down to the city for a four-week period because they were not sure when the child was going to be born, that certainly upset the workings of my department because obviously my staff wanted to be with their partners as long as possible. We had only a small department and a small number of staff, so when those people were out of that environment, we went backwards for more than four weeks. Those sorts of things are imperative.

I also had staff who had very accomplished partners, but they could not get work in the health system in these places because they were overqualified and they had to keep coming back to Perth so that they could maintain their accreditation. Once again, that created disruption to the families that were trying to make an effort to live and work in the country.

The other standard question that was always asked by staff who were going to work in regional areas was about the schools. There is no doubt that every town will say that if education is not up to standard, they will definitely lose families once their children finish primary school. Quality education is absolutely vital. The same quality of teachers, the same ability to provide subjects and all the extra things that go with a good education must be available in the country. That means we have to invest in education and the schools in those areas.

Another problem that was always very obvious to me was that, yes, there could be buildings, schools and hospitals, but services around those things were needed to support the social aspects of living in the country. I found that people who were there made the most out of some amazing parts, and they probably used the natural environment better than city people did. From a recreational point of view, they had a lot of opportunities that they would not normally have had, but there were many others that they did not have. Obviously, we promoted the field of sport and recreation as much as we could, but there were times when it was not possible for a family to stay, particularly if there was a talented athlete in the family, or for that young person to develop as an athlete, in a regional area and have the same support that others in the city had.

Having said that, once again I admire the people who have made the commitment to live and work in regional Western Australia, and whilst they are there, to make a contribution to that area that is outstanding. I want to

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thank them for doing what a lot of other people would not consider doing. As I have stated previously, we must develop our state outside of Perth, and it must be done for Western Australia to be truly successful. I do support this legislation.

**MR J.J.M. BOWLER (Kalgoorlie)** [10.29 pm]: I rise to support this legislation. During the election campaign, I unabashedly stole the National Party's wonderful royalties for regions idea when I introduced my own goldfields fund campaign. My National Party opponent, Tony Cooke, correctly pointed out that I was pinching the National Party's idea; I said, "Yep—I think it's a wonderful idea, and if I'm elected as an Independent and I hold the balance of power, I'll want a \$30 million goldfields fund just for Kalgoorlie-Boulder and the immediate area". In the week following the election, as members know, I threw my lot in with the National Party—a decision that I think was one of the best I ever made. I certainly have no regrets about that. My \$30 million goldfields fund therefore fell by the wayside, but it became part of the statewide royalties for regions program. I quickly did some sums; I was after \$30 million, and there were 16 country seats. Six hundred and nineteen million dollars divided by 16 comes to a little more than the \$30 million I was after, so in reality my goldfields fund still exists, but with more money.

Within weeks of the election the Premier, the Minister for Regional Development and the Minister for Health came to Kalgoorlie and announced that funding was completed for the long-awaited redevelopment of Kalgoorlie Regional Hospital. That was capped off by the inclusion of \$15.8 million from the royalties for regions program, which made the redevelopment possible. Within days, there was no doubt in the goldfields that the electorate was already seeing an immediate benefit from the royalties for regions program, and people were congratulating me for being part of that process. I have to say that the hospital redevelopment that had been put back a couple of times by the previous government has now commenced; in fact, the first stage has been completed and construction will move on to the next phase before the end of the year.

Another important issue for the goldfields is the provision of incentives for mining exploration. That is the lifeblood of the mining industry; without exploration, the mining industry eventually dies. As soon as mining commences at a mine, the mine begins to die, so new mines have to be found. After approaching the Minister for Regional Development and talking to the Minister for Mines and Petroleum, Hon Norman Moore, the two got together and, once again, royalties for regions funding was used to provide \$80 million for exploration incentive schemes. A large part of that extra funding went to the Geological Survey of Western Australia, which has a substantial branch in Kalgoorlie, to do base-level exploration. Further funding went into the plan for accelerating exploration initiative, which is generally known as PACE. It was successfully introduced by the South Australian government, and, just as I copied the National Party's royalties for regions campaign, so has the Western Australian government copied the South Australian government's PACE program, which has been very successful. I have no doubt that that is already creating a flow-on effect here in Western Australia. Prospectors and small mining companies have told me that they are already seeing the benefits of that extra incentive to conduct greenfields exploration.

Of course, the goldfields region has also benefited from other statewide funding. I estimate that just under \$10 million has come into my region through the country local government fund. Some of the smaller municipalities greatly appreciate the extra boost in funding. I have generally felt a fair bit of support from the opposition benches for the royalties for regions program. There have been a couple of questions about why we are giving money to local governments. I think it is a wonderful way to spend money, because I think that local people know best what needs funding locally. Wherever possible, we should always devolve power and spend money as close as possible to where it comes from, rather than going back the other way.

**Mr P.B. Watson:** Do you think it should be more structured, how they get the money? The City of Albany was given a certain amount of money, and then advertised in the paper for what schemes they had. Don't you think it's better that they come to the development commission and say what they want the money for, instead of getting the money and saying —

**Mr J.J.M. BOWLER:** To the development commission? That is a separate scheme.

**Mr P.B. Watson:** When it went to local government, we got a dunny and a footpath, whereas the money could have been used for our surf club, but there was no structure. They were just given the money.

**Mr J.J.M. BOWLER:** Is it not a great thing for local government in the member's area to be as close as possible to the people? It is the lowest level of government.

**Mr P.B. Watson:** I think they should have a plan. The money is given to them and then they look for what they can do, instead of something being structured.

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**Mr J.J.M. BOWLER:** If we do that, it will all of a sudden be us in Perth telling the regions, “We’re going to tell you what’s good for you”.

**Mr P.B. Watson:** No, they make the decision.

**Mr J.J.M. BOWLER:** So what is the complaint?

**Mr P.B. Watson:** What happens now is that they get the money and they don’t know what to do with it.

**Mr J.J.M. BOWLER:** They will certainly know what to do with it; none of it is in the bank. They are spending it.

**Mr P.B. Watson:** On a dunny and a footpath.

**Mr J.J.M. BOWLER:** On the day that this was announced, a couple of councils in my electorate knew exactly what they were going to do with it, and had the projects waiting. Others have had to undertake the process the member is talking about. Although it is not great, they are talking to local people and asking them what they think it should be spent on, rather than someone in Perth sitting in Dumas House, saying to the people that he thinks he knows what they need the most. I think devolving money and power downwards is always best.

**Mr P.B. Watson:** People wanted a surf club, but they never got one.

**Mr J.J.M. BOWLER:** I can take the member’s argument the other way. How often does the state government complain that Canberra sits over there and tells us, as a state, what we should and should not do?

**Ms M.M. Quirk:** Not a lot at the moment.

**Mr J.J.M. BOWLER:** They do, too often, and both political persuasions, the Liberal Party and the Labor Party, want to do that to the states, and we complain about that. We should not complain about devolving back the other way, and I think the local government fund and the regional grants fund of \$63 million are both wise decisions.

**Mr R.H. Cook:** What’s the KPI?

**Mr J.J.M. BOWLER:** The key performance indicator is what local governments think is best. Why should we sit in Perth and ask, “What’s the KPI?” Let them decide. Why should there be a statewide KPI?

**Mr R.H. Cook:** Because it’s taxpayer’s money.

Several members interjected.

**Mr J.J.M. BOWLER:** We could probably spend tens of millions of dollars establishing these KPIs, and further tens of millions going throughout regional Western Australia to find out what is needed. It is best to let people work out what they want.

**Mr R.H. Cook:** What’s the purpose of it? I’m not saying it’s not a good thing.

**Mr J.J.M. BOWLER:** The purpose is to let people decide what they want and let them spend the funding on what they want.

Another very popular thing in my electorate is the \$500 fuel card. People of the goldfields have benefited from royalties for regions.

**Mr P. Papalia:** What about plastic cows?

**Mr J.J.M. BOWLER:** Plastic cows?

Several members interjected.

**The SPEAKER:** Thank you, members!

**Mr J.J.M. BOWLER:** Royalties for regions is immensely popular in my electorate, and I have no doubt that it will become a permanent part of the political landscape in Western Australia, regardless of the political persuasion of the next government. I think all country people in Western Australia rejoice in that fact.

The member for Kwinana and the member for Gosnells touched on the possibility of royalties for regions doing more for our Indigenous people, particularly in the northern part of the state. I assume they also refer to traditional Indigenous lands in my part of the state. I agree with the sentiment of the member for Kwinana, but I think this is part of the problem of where we have gone with Indigenous affairs—seeing royalties for regions as another pot of gold that might help Indigenous people.

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**Mr R.H. Cook:** You are a hypocrite! It's okay to do things for local government, but it's not okay to do things for Aboriginal people?

**Mr J.J.M. BOWLER:** The member should listen to what I have to say, and he will find out. I agree with his sentiment.

Several members interjected.

**The SPEAKER:** Member for Nollamara and member for Kwinana, I would like to hear the member for Kalgoorlie. I do not want to hear your conversations with each other in this place.

**Mr J.J.M. BOWLER:** I did not interject once on the member for Kwinana. As I said in my preamble, I agree totally with his sentiment, but I believe he is going about it the wrong way. If he listens to me, as I listened to him without interjecting, he might find out what I have to suggest. He may disagree or agree with me; he has that right.

I have followed the plight of Indigenous people for the nine years I have been a member of state Parliament and for many years before that as a regional journalist. I have seen no improvement in their living standards over those many years; in fact, I have seen them go backwards. I have come to the opinion that saying that this Royalties for Regions Bill may hold an opportunity especially for Indigenous people is part of the problem. I believe that the only long-term solution is for them to be part of mainstream Western Australia in every possible way. I would scrap the Department of Indigenous Affairs tomorrow. However, if the government does keep the department, it should keep it for what it was originally intended: a department to look after only land tenure, land ownership and heritage sites throughout Western Australia—and nothing else.

Why should Indigenous people expect that a separate department should look after them? If I turn on a tap and there is no water, I expect, as every Western Australian expects, that the Water Corporation will fix the problem. If I turn on a switch and there is no power, I expect that Western Power will fix it and provide me with power. If my local school is not good enough, I expect that the Department of Education and Training will fix it. If my local hospital is not good enough, I expect that the Department of Health will fix it. Why should Indigenous people be treated any differently? Why should we suddenly say, "Let's give them some more money from royalties for regions"? They should be totally part of the mainstream and we should provide to these people the same standard of services and facilities that we all enjoy out of the entire state budget. The fact is that the government does not do that. If we spent the whole lot of royalties for regions on Indigenous people, we still would not overcome the problems. They must be part of the mainstream, and the government should get rid of the Department of Indigenous Affairs in the process. How could the government then ensure that it provided the same standards that we all enjoy and expect? I have come to the opinion that the process should go through the Office of the Auditor General. The Auditor General would make sure that the various departments provided the same services to people on the lands and the same services to the people who live in, say, Wongatha village on the outskirts of Laverton, and the same services to people who live in Nambi village on the outskirts of Leonora, and the same services to Indigenous people who live in Kalgoorlie, Perth or wherever. They would be treated the same as all Western Australians, but it would be up to the Auditor General to make sure that these various departments started doing what they should have been doing for a long time. I know that the member for Kwinana's heart is in the right place and I appreciate that he wants more money to go into these areas of great need, but his solution would result in us chasing ourselves and it would result in only a bandaid recovery.

**Mr R.H. Cook:** How many taps do you think DIA is responsible for?

**Mr J.J.M. BOWLER:** What; water taps?

**Mr R.H. Cook:** Yes. How many light switches is it responsible for? Not one.

**Mr J.J.M. BOWLER:** Not one. However, guess what happens when there is a problem with water in my electorate? Guess what happens when there is a problem with power; do people go to Western Power or the Water Corporation?

**Mr R.H. Cook:** No.

**Mr J.J.M. BOWLER:** No; I thank the member for Kwinana very much.

**Mr R.H. Cook:** They don't go to DIA.

**Mr J.J.M. BOWLER:** Where should they go? They should go to Western Power and the Water Corporation. That is what I am saying. The member for Kwinana wants to maintain the status quo, which has not worked for Indigenous people. He wants to maintain the same structures that have not worked for 100 years.

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**Mr R.H. Cook:** I am just saying that your argument is flawed; that is all.

**Mr J.J.M. BOWLER:** That is the member for Kwinana's opinion.

**Mr R.H. Cook:** I am not saying that what we are doing now works. I am just saying that your idea doesn't work either.

**Mr J.J.M. BOWLER:** The member for Kwinana does not think that Indigenous people should be part of mainstream WA. He does not think that we should make sure they get the same standard of services that all other Western Australians get. The member for Kwinana wants to keep them separate and special.

**Mr R.H. Cook:** In terms of community, social and economic infrastructure, absolutely. But that is not the subtext.

**Mr J.J.M. BOWLER:** It has not worked for 100 years and suddenly the member for Kwinana is going to wave a magic wand and it will turn around.

**Mr R.H. Cook:** I agree with you on that point. Do you think the Auditor General calls for it?

**Mr J.J.M. BOWLER:** What I am saying is that the member for Kwinana is a bit like the Australian Test team was in the last series in England: he wants to keep sending out the same team when he knows it has to change. All I am saying is that if he failed in the last test, he should change his batting order and do something different. The fact of the matter, member for Kwinana, is that there is so much goodwill in this house; members have nothing else but goodwill. I can see it in the member for Kwinana and his long-term involvement in the industry. All I am saying is that it has not worked and it is time that we made some major changes. I do not regard royalties for regions as any answer to that; it would just be a further bandaid.

**Mr R.H. Cook:** That's my criticism of it as well.

**Mr J.J.M. BOWLER:** It would be like throwing another \$100 million or \$200 million in that direction to make us feel good.

**Mr R.H. Cook:** I do not think it's the answer either.

**Mr J.J.M. BOWLER:** I say that we need a lot more than that. We need some long-term planning. It would be a major achievement of this Parliament if it were to do that in the next decade. That is how long it will take. It will not be a silver bullet. I see people in the lands in my electorate every day. I am going there next week. Their standard of living has fallen, their standard of education has fallen and their standard of health has fallen. We must change things. The entire royalties for regions fund will not turn all of that around in the Pilbara, the Kimberley, the goldfields or other parts of the state. To say it will just aims at the wrong solution. Everyone has the right idea and there is very much goodwill. I think the concept of royalties for regions is fantastic, but in Indigenous affairs we must treat Indigenous people the same as every other Western Australian.

**MR A.J. CARPENTER (Willagee)** [10.46 pm]: The Labor Party will ultimately support the Royalties for Regions Bill, but I must say that I do not support it. I believe this legislation is a sham and in the passage of time will be exposed as that. This whole royalties for regions concept is a fascinating area to talk about and I could talk on it for about a week.

There are a couple of points I want to make to start with. There are some serendipitous positions and timing in politics when good politics and good policy coincide; this document does not represent one of them. Another thing that should be noted by everybody, including enthusiastic National Party members of the government, is that there is no magic pudding. Every dollar that is spent in Narembeen is not spent somewhere else; that is the truth of the matter. There is no magic pudding, and to behave as if there is and have foolishly enthusiastic members of Parliament running around pretending that there is some magic pudding that the National Party has discovered after all these years is misleading, naive and irresponsible. There is no magic pudding.

The third point that should be borne in mind is that this is not National Party money. This is money of the taxpayers of Western Australia. It is not money for members of the National Party, as a party, as individuals or as members of Parliament, to distribute as they see fit, with no accountability, which is what is going on now. National Party members are behaving as if it were some giant slush fund. They are running around the state getting slapped on the back because they are signing and handing over cheques. I will be interested in the outcome in five or maybe eight years, when people look back on this period of government and make judgements. This whole concept is an outcome of the great economic times that we have enjoyed in the past five years. Some politicians have gone around the state trying to pretend to people that there is an endless bounty and

**Extract from Hansard**

[ASSEMBLY - Tuesday, 22 September 2009]

p7439b-7476a

Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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an endless amount of money to be had; that somehow or other people have been denied it in the past and National Party members are going to fix that. Neither of those things is true. There will always be unresolved cost pressures on government. It is completely nonsensical and false for anybody to think that somehow National Party members have managed to solve those pressures. I struggle to believe that National Party members believe it. However, sadly, some members want to believe it, and I think the member for North West is one. He gave some of the best critiques of this whole nonsensical policy rubbish when he was sitting on this side of the Parliament. I congratulated him because he had found a sensible voice that was actually throwing some sensible critique over this policy agenda. For example, he pointed out that, although buckets of money were being tipped out on unaccountable projects, his own pet project in his electorate—the Carnarvon police and justice complex—was cancelled. He stood from his seat on this side of the house and railed against the cancellation of that project. I was astounded when he suddenly turned around 180 degrees and went over to the government side and embraced the argument.

**Mr R.H. Cook:** And Carnarvon hospital.

**Mr A.J. CARPENTER:** Yes, Carnarvon Regional Hospital. There are dozens of projects that had been cancelled. I think we tallied up something like \$500 million worth of projects that had been cancelled and had been substituted with some of the so-called royalties for regions projects. The genesis of this sort of thinking, if my recollection serves me correctly, is in Alaska. There is a fund in Alaska that is very similar. It was first introduced into conversation and debate in this chamber by Larry Graham, when he was the member for Pilbara. He used to advocate this sort of nonsense. Somehow or other, people in the north west were being denied their heritage, their rights or their just returns by this avaricious state government that is wasting money in other parts of the state. They should go and tell the people in Ballajura, where the government has closed the one and only police station, that the money was wasted. They should go and tell the people at Hilton, where the only police station in my electorate is about to be closed. There are Aboriginal people everywhere down there. They should take their bleeding hearts and their latterly found interest in Aboriginal affairs down to Hilton, and tell the people there why all their facilities are being closed. What about the police station at Secret Harbour, in the electorate of the member for Warnbro, that has been cancelled?

I remember my discussions with the Leader of the National Party. He presents now as a very clever politician, and good on him. As I said, there is good politics in this. Our discussions were that the royalties for regions projects, at the level that the Liberal Party was offering and that the National Party was suggesting, were unsustainable. They were completely unsustainable, and everybody knows that. The government is just taking projects that money would be spent on in the normal course of government and badging them as royalties for regions. That is the only way it can continue this sham and continue to pretend that it is working. However, the Leader of the National Party did give a commitment, as I recall, that none of this would happen at the expense of the sports stadium. The sports stadium is now off the agenda. It is an absolute tragedy for the state.

**Mr T.K. Waldron:** It is not off the agenda.

**Mr A.J. CARPENTER:** Yes it is. It is nowhere to be seen. Can the member for Wagin show me in the budget where the money for the sports stadium is? There were hundreds of millions of dollars. The project had started. Do not try to tell me that the people who come from Dumbleyung, Wagin, Carnarvon or Karratha and rock up at Subiaco Oval think it is all right—it is an absolute disgrace, but they are getting rocks painted white back where they come from, so that is okay. Do not tell me that. A state facility has been cancelled. In this ridiculous transfer of funding, the government has imperilled major projects for Western Australia. It has imperilled Australia's attempt to win the bid for the World Cup soccer tournament. It has taken on board the Western Australian Football Commission's completely inappropriate proposal for the redevelopment of Subiaco Oval, in which it wants to maintain control. The commission put forward a proposal to develop the railway side of the stadium, but does not know what to do about the other side. Everybody is saying that this is good; we will get a redevelopment, because they are so desperate for something to happen. The government has imperilled that once-in-a-generation—once in 50 years—opportunity to give Western Australia a world-class sports stadium. It has ditched it, and is spending hundreds of millions of dollars on these little itty-bitty things that people will forget about three weeks after they have got them, such as flying gardening experts to somewhere in the north west for a day seminar at a cost of \$5 000 or \$6 000. I have been told that the oval at Frankland has been reticulated, but is not connected to any water supply.

The National Party wanted to get into government, and it wanted to get the money out of the door as fast as it possibly could. I know that is the case, because the Leader of the National Party told me. He wanted to get the money out of the door as fast as he possibly could to show that the policy was going into action. However, there

**Extract from Hansard**

[ASSEMBLY - Tuesday, 22 September 2009]

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Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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are a couple of things that he should remember. The projects must be worthwhile and sustainable, and the processes must be accountable. They are not accountable. I have said this in the chamber before, but I am old enough and have been around long enough to remember when the term “WA Inc” did not carry any derogatory aspects whatsoever. People thought it was great that all the young vibrant entrepreneurs of Western Australia were getting involved with the state government and in business projects, and we would all be better off. We would somehow lead the nation. Somehow, we had cracked the secret that governments have always struggled under: where do we get the money for our projects? Only a few years later, because of all the inappropriate activity that took place around that WA Inc period, suddenly the government ran into problems. People, some of them with the best of intentions, got themselves into all sorts of difficult problems.

The present government is heading down a slippery slope in the way it is dealing with this project. It is playing with hundreds of millions of dollars of public money. It has no idea about how to account for its decision making, and no idea of the value of the projects. No proposals have been put forward to demonstrate the benefits of most of these projects. There is nothing like that. The government is simply pushing out hundreds of millions of dollars. It is squandering this money, and I cannot help but believe that ultimately the government will regret it. Where good politics and good policy do not coincide, there must be some adverse outcome. It is good politics but it is built around a slogan. That is all it is, and members opposite know it. Most members know, objectively, that the former government put hundreds of millions of dollars into infrastructure projects in regional Western Australia. That was done on a scale that had never been seen before. I know that members opposite know that because they have told me so. They boast about the fact that they went to regional Western Australia and stood in front of a brand-new school, hospital or police station that the Labor government had built and told the people that Labor was doing nothing for them. Members opposite told people that the building would have been built anyway and that the Labor Party was not doing anything for them. I know that is what government members did because they have told me. They took some delight about being able to sell the concept of royalties for regions despite the bonanza of public money that the former government spent in places like Geraldton on good economic and social infrastructure, which is how it should be spent. We would never have taken the policy approach that this government has taken when we were in government because it is fundamentally wrong.

In the lead-up to the last election the now Premier was asked about the royalties for regions project and he said that he was not interested in stunts. That is how he truly felt about it then and that is how he truly feels about it now. It is just a policy stunt. At some point or other, I hope sooner rather than later, the stunt will come to an end and we will have to get back to having a serious discussion about where our public money is being spent.

I will give members an example of a better model. The member for Albany, in an interjection when the member for Kalgoorlie was speaking, raised this issue. A better model for providing small-scale facilities in regional Western Australia is the community sport and recreation facilities fund. To get money from that fund, a local group must make a business case and present it to the local council. The local council then analyses the costs and benefits of the proposal and ranks it. That information is transferred to the independent state government body that looks at the proposals and it then makes a recommendation about which proposals will be funded. There is an accountability trail all the way up and all the way back under that model. That is what the government should be doing. There is nothing like that under the royalties for regions funding. Surely no-one in the chamber actually believes the simplistic notion that the right way to go is to just give money to local government and assume that it will make the right decision on how it should be spent. If members do believe that, they are in the wrong job. They should not be here and they should not be allowed anywhere near the public till because it is completely and utterly inappropriate for government members to say that that is the way this policy should work.

The Public Accounts Committee has just spent some time analysing in some depth whether the proceeds of crime fund was administered and distributed appropriately. The now Attorney General made criticism, political criticism but criticism that was worth examination, that the decision making was politically biased and that there was no accountability. The fund in total was \$10 million. In the end, the majority of the committee found that nothing improper had happened, although there were some shortcomings in the record-keeping. That was \$10 million over six years or something. With royalties for regions we are talking about hundreds of millions of dollars: has any documentation been provided to Parliament about the process by which these decisions were made, other than the Leader of the National Party being told that it would be good to spend \$40 million or \$50 million in Port Hedland—I do not know—for example? He goes up there, has a quick reconnoitre and comes back with a cheque.

**Mr B.J. Grylls:** Does the member think that has actually happened?

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**Mr A.J. CARPENTER:** That is what the Leader of the National Party is doing. He should provide to Parliament by way of tabled documents tomorrow the decision-making process, the cost-benefit analysis and the key performance indicators that people talk about for all the money that has been allocated. I challenge the Leader of the National Party—not his press secretary or the people who are blowing up his green and gold balloons or the people who are breathlessly writing the stories in the local newspapers and taking their amateurish photographs of the Leader of the National Party shaking hands in front of whatever facility that he has painted up—to provide all the documentation to Parliament tomorrow and let the Parliament of Western Australia have an examination.

**Mr B.J. Grylls:** You have the Public Accounts Committee—do it!

**Mr A.J. CARPENTER:** Then let us get the Leader of the National Party and all his colleagues that we want before the Public Accounts Committee and examine them as to why they made certain decisions to provide amounts of money for the projects that it has been applied to, because that is the test the Leader of the National Party must pass —

**Mr B.J. Grylls:** Hold the inquiry; you've got the numbers on the committee.

**Mr A.J. CARPENTER:** I thank the Leader of the National Party for the invitation. That is the test that the Leader of the National Party has to face in his role because what he is doing now is simply drifting around the state with an open chequebook, writing out cheques and getting his photograph taken. Half the stuff that he is providing money for will get him five minutes' accolade and then there will be nothing. People will say, "Hang on; where's the rest of the money? We want more and more." What the Leader of the National Party is doing is unsustainable. He knows that and he has already got into some situations in which the routine expenditure of government is being provided out of the royalties for regions program. This legislation does nothing; Treasury has worked it so that it does not actually commit future governments to anything. What this bill really does is provide the Parliament and anybody who is actually interested, I do not think many people are at the moment but they will become interested, with a chance to examine the process of the decision making that is going on and to make some judgements.

It was short-term politics and it was great for the National Party during the election campaign to get out and sell royalties for regions. Mind you, as I recall, the Labor Party won more regional seats than the National Party did. The defection of the member for North West has changed that, but the Labor Party won more seats. The member for North West was right; the criticisms he made were right and he should have stuck to his guns. Now the member has obviously boxed himself into a corner. However, the criticisms he made were quite right. I applaud all of the member for Kalgoorlie's sentiments, but unfortunately he has no idea of process. If what the member said about the freedom that should be extended to local government with the taxpayers of Western Australia's money is correct, he has not learned a damned thing. That is sad. We cannot run government that way, my friends. This is not National Party money and it is not Liberal Party money; it is the taxpayers of Western Australia's money and every cent and dollar has to be accounted for properly and it is not. There is no accountability.

I will refer to one other case. While all this windfall money is being poured out, what do we have on the other side? We have Redress WA. I accept the criticism that we did not put in enough money for Redress WA. That is because we underestimated the amount of money that would be needed. However, what this government has done is absolutely disgraceful. The small bit of goodwill that was being developed to redress some of the incredible hurt and pain that these people have suffered for so long in their lives has been wiped away by this government. The government has wiped that all away with one heartless and stupid move.

Possibly worse than that is the cancellation of the fund to assist people with funeral costs, and the commentary that we have heard from Hon Robyn McSweeney—honestly!—about how the government prefers to spend money on people who are alive rather than on people who are dead. Well, as was pointed out to me by the member for Kimberley, funerals are all about dead people! We have to bury them! The government has cancelled that sort of expenditure. At the same time, it has gone on this ridiculous spending spree in the regions. That will get the government some pats on the back in the short term. The members of the National Party are all good men—honestly, they are. However, I fear that the members of the National Party will end up being the butt of jokes for generations to come in Western Australia if this goes pear-shaped. I urge the members of the National Party to pull this royalties for regions program back into some sort of discipline before they go too much further. People in this state have gone to jail for the things they did while they were sitting in this chamber.

**MR M. McGOWAN (Rockingham)** [11.06 pm]: I had not intended to speak on the Royalties for Regions Bill. However, in light of the "Review of Approval Processes in Australia" report that was put together by Hon Peter Jones and my friend the member for Kalgoorlie, and in light of the remarks that the member for Kalgoorlie has



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made about that report, it is worth commenting on that report as it relates to royalties projects in this state. I believe that if the recommendations in the approvals report are fully implemented, we will run the risk of reducing the amount of royalty revenue that is provided to this state. I will explain why I say that, and the relevance of that to this legislation. Some of the recommendations in the approvals report will impact very adversely on the mining industry in Western Australia. Some of the propositions in the report are, quite frankly, ridiculous. They have the capacity to make Western Australia a pariah state among the other states of the commonwealth, and, indeed, among the non-government organisations and major multinational corporations that operate in this state. I come to this issue not only as the shadow Minister for State Development. I also spent a year as the Minister for the Environment. Therefore, in political life at least, I probably have the most experience of any member on either side of this house on this particular argument.

I agree that there is a legitimate role for a review of the approvals processes. However, I do not agree with the fundamental idea that underpins that review—that is, that there is no capacity for anything to happen in Western Australia because everything has slowed down so incredibly. I have heard people like Hon Norman Moore say words to that effect. It is very interesting. Hon Norman Moore has provided an answer to a question that I asked him about how many mining and petroleum projects were opened in Western Australia during the term of the former Labor government. The answer to that question was 170. The number of mines in Western Australia doubled during the term of the former Labor government. As I have said in this house previously, there was a similar doubling in South Australia. Some of the commentators often remark on the wonderful approvals system that operates in South Australia. During the time we were in government, the number of mines in South Australia increased from five to 10. The number of mines in Western Australia increased from 200 to 370 under our watch. People say that the approvals process is too slow. As the Auditor General has found, when we are dealing with that range of projects, and when the mining industry itself and the land administration industry are taking people out of the approvals agencies, of course it will be difficult for government to cope.

In any event, we did. In my time as the Minister for the Environment, I provided approval for the Gorgon project, the Pluto project, Wagerup project and the Fortescue Metal Group project. I also provided approval for the Worsley expansion, which is going on now, among others. I did it through a range of mechanisms. In particular I want to acknowledge—this is where the “Review of Approval Processes in Australia” report becomes quite relevant—the work of the Environmental Protection Authority that assisted in that so that it could happen. When I spoke at various points during 2006 to the now member for Kalgoorlie, then member for Eyre and then Minister for Industrial Development, he was to me quite complimentary of the role of the environment agency in making sure that those projects happened. In particular, of a couple that were quite controversial, he said to me that without the work of the people in my department, some of those projects would not have happened. That is the background.

This report states some good things, some bad things and some preposterous things, and it is contradictory. I want to outline this at the start. The summary signed by Hon Peter Jones states how the situation has got immeasurably worse. It then states that a problem is —

Successive Governments have enacted more legislation, created additional departments and agencies

Four pages later it states —

There has also been merging of departments and agencies which has not helped the overall approvals system and the policies involved.

He says that additional departments and agencies are the problem and then he says four pages later that the mergers are the problem. That is at the commencement of the report, which indicates a fairly confused attitude to these things up-front. This also gives a bit of an indication of where he is coming from, which is where I think the royalties are under threat, when he says that everything has gone bad since 1986. The report states —

In that year, the then Government brought in the new *Environmental Protection Act 1986*, which in effect, gave legislative and operational primacy to the Environment Department and to the Environmental Protection Authority. The accountable “one-stop-shop” which had existed up to that time and upon which the significant economic development of Western Australia was based, was gradually eroded ...

Basically, his line is that everything is the fault of the EPA and that if we did not have the Environmental Protection Act, we would not have any problems. That is the start point. As the shadow Minister for State Development and a former Minister for the Environment, I fundamentally disagree with that. I think that we need a strong environmental agency in Western Australia.

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The report gets worse, but I will first say where he has a few good ideas. The report states in recommendation 12—I endorse it—that there should be key time line indicators and that departments should have to adhere to those time lines in the approvals process. I agree with that; there should be key approval time line targets, performance measures and so forth. The member for Kalgoorlie told me that the idea was that it should be made mandatory and that, therefore, if an agency failed to meet the deadline, the project should automatically be approved. That is absolutely impossible, and we cannot do it. The reason we cannot do it is that it would obviously be a huge incentive to an applicant not to provide relevant information, because if an applicant did not provide relevant information and did not comply with what was required, it would get approval. However, I agree with key performance indicators and approval target time lines, which I think are relevant things to put in place. I note in that context that recently, despite years of effort, and in fact I actually oppose the project, the Minister for Environment recently sent the Yannarie salt project back its approval. We continue to argue that on the one hand we must have approval time lines while, on the other hand, when one is received, it is returned. I think that recommendation is fair enough.

One of the first recommendations is that there be a vision for state development in Western Australia. I agree with that. The recommendation also suggests that an approvals reform office be set up. I also agree with that. I am not sure whether the Office of Development Approvals Coordination still exists, but it might be a relevant way to pursue that. The idea that it will be bad for approvals and, therefore, bad for royalties in Western Australia is relevant to this legislation.

Page 55 of this report—the member for Kalgoorlie would be interested in this—makes a recommendation about the appeals process. It states that a retired magistrate should be appointed as the appeals convenor and that the fundamental principles of administrative law should be adopted for the appeals system. That is a recipe for an enormous delay in the administration of appeals. I can only assume that the people who wrote this report are not familiar with the current system. Under the current system, the appeals convenor is answerable to the minister. The appeals convenor is a flexible office that often works with the minister to reach the outcomes the relevant minister wants to achieve. In my experience, that worked very well and was an accountable but flexible system. If a magistrate is appointed to undertake appeals and impose that level of administrative law into the process, approvals in this state will grind to a halt. I do not know why that has been suggested. I do not think that members of the committee are fully aware of how the current system operates. The recommendation in the report would be a disaster. I have no hesitation in saying that. Wiser heads need to think very seriously about that recommendation without adopting it holus bolus on the basis that there is something wrong with the current system. If the government goes ahead with that recommendation, it will stop all major development in this state.

I come now to the ridiculous recommendations. If members go to page 61, they will find a recommendation to establish a single decision-making authority. That recommendation means that the Environmental Protection Authority becomes part of a bigger agency, and we will not have a standalone EPA. I know that Mr Peter Jones and some other members of the committee are not fond of the EPA, but if we do not have an independent environmental approvals agency, there will not be any protection for this state's environment, and that is not good for business. Multinational companies that want to invest in this state do not believe in that. They believe that a strong environmental agency, which is properly resourced, should be in place, but it must understand the basis of the state's economy and have a final decision-making power vested in the minister. That is currently in place. This report fails to recognise that the minister makes the decisions. The EPA does not make the decisions. The EPA makes recommendations, which are examined by the appeals convenor, assuming there is an appeal, and the minister makes the decisions. We currently have a democratically accountable system. I do not hesitate to say that there could be additional resources and some efficiencies, as I outlined earlier, but if we were to do away with the Environmental Protection Authority—I am amazed this has not become a significant issue in this state—we would have a single approvals authority.

**Mr C.J. Barnett:** Who says that?

**Mr M. McGOWAN:** This report suggests that.

**Mr C.J. Barnett:** They may advocate it, but we are not doing it.

**Mr M. McGOWAN:** I am gratified to hear the Premier say that. The authors of this industry working group report started with the premise that everything was wrong. This idea to do away with the Environmental Protection Authority is crazy.

The industry working group report suggests a few other things. On page 57 reference is made to the current approach to offsets. Offsets allow the government to approve projects on the basis of a net conservation benefit.

**Extract from Hansard**

[ASSEMBLY - Tuesday, 22 September 2009]

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They are very suspicious of offsets. Offsets occurred in the Gorgon project. The government might allow the project on the island, and it works out ways of protecting the rare fauna and flora associated with the island. For instance, the former government ensured that tens and tens of millions of dollars would be spent on turtle conservation projects as part of the approval. I think that in a state like Western Australia offsets are a crucial part of the decision-making process.

Page 57 of the report treats offsets with a great deal of suspicion and indicates that somehow they should be approved by cabinet. That would take the approvals process out of the hands of the minister, and it would slow down the approvals process. If the government needs a cabinet decision on every single project where there is an offset—most have them—that would slow down the approvals process in Western Australia. That is what that recommendation would do. I can only assume, again, that the experience of the people on this committee and their lack of knowledge of the existing process meant they did not understand that. But that is what the government will do if it puts that recommendation in place. I do not think that is good for either the environment or the approvals process in Western Australia.

Page 14 of the report refers to native title, which again shows the mindset of some of the people on this committee. It reads —

The former government adopted a policy of not litigating native title claims in almost every instance. Instead it tried to resolve all native title claim issues by agreement, with a strong bias toward the recognition of native title. The result of this approach was that there have been more determinations that native title exists but most of these have been in areas where the existence of native title is uncontentious.

It then goes on to suggest that instead of working to get negotiated outcomes in native title it recommends pursuing far more federal court litigation. Recommendation 5 reads —

It is recommended that there be a renewed focus on resolving native title claims. This includes using the Federal Courts ...

It is saying that the former government's approach of negotiated outcomes, which was very successful around the state—I cannot remember how many dozen we negotiated but it was quite extraordinary—is wrong and, instead, the state government should take native title issues to the Federal Court. Honestly, this comes from an ideological mindset that will slow down development in this state and good outcomes for many of the citizens in this state. I cannot understand where this has come from, apart from an idea that the good old days were back in the 1950s and 1960s and whatever has happened since then is problematic.

[Member's time extended.]

**Mr M. McGOWAN:** At page 35 the report reads —

Lastly, comment needs to be made on merger of the Department of Environment with the Department of Conservation and Land Management to form the Department of Environment and Conservation. This merger failed to recognise the fundamental difference between the requirements of Assessment and Licensing activities and Conservation and Preservation.

It then refers to the old department of environment and how its reports were better than those produced under the new Department of Environment and Conservation. Mr Derek Carew-Hopkins was a member of the committee. I know Derek well, but as was demonstrated some months ago, he has a very strong attitude towards the new environment agency—a very hostile attitude towards that agency. I was the minister who amalgamated the two departments, and I did so because I thought that having a more powerful, strongly staffed agency that could provide better support to the EPA with a wider range of people with broader experience and a more powerful agency behind it would be a good thing.

That approach has been taken in other states, as I saw in New South Wales. That was the genesis of it. To suggest, as this report does, that somehow there was a huge diminution in environmental approvals as soon as the agencies were merged is ideological and not based on a reasoned approach. Providing good support to the Environmental Protection Authority and an EPA service agency that is strong is very important, and providing a pool of experienced people to work there is also important. I do not think it is a good suggestion that the pool be smaller and the range of experience narrower. The EPA should have a wide base of people it can draw upon, and if it needs to be better resourced, provide better resources. The experience of the past eight years has been that the merged environmental agency provided the vast bulk of support for those major approvals such as Gorgon,

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Wagerup, Pluto and so forth. Former minister John Bowler told me he was of that view as well when he and I were sitting at the cabinet table next to each other.

They are some of my criticisms of this report. It has some good aspects to it, but I think the idea that the environment agency has been the significant problem in Western Australia is naive and comes from a particular mindset that there was a period of the good old days when everything happened quickly.

I have met with some of the players, including the Chamber of Minerals and Energy of Western Australia, and they think there are some good ideas in this report, with which I agree, but there are some really bad ideas in it as well. I think Western Australians need to be very careful that efforts made to protect Western Australia's environment over the past 25 years are not thrown out based upon some ideological pursuit based upon prejudices that are not borne out in reality. I will watch very carefully what the government does with this report. I will support the sensible recommendations such as improved approvals processes, the implementation of improved time lines, additional resources, and the removal of unnecessary duplication; they are all good suggestions. But some of the key and most important recommendations of this report are rubbish. I have no hesitation in saying that the suggestion to abolish the EPA, to remove the negotiation of native title, and to slow down processes by putting in place a legalistic appeals convener or a cabinet approval process for any sort of offsets—these happen every week for every approval—are all naive and dangerous ideas. That will be my approach as shadow Minister for State Development. I do not want to see the royalty base of this state undermined by the more extreme ideas contained in that report.

**Mr J.J.M. Bowler:** Member for Rockingham, you mentioned that I was happy up until 2007, and I agree with you, but I believe that things deteriorated in late 2007, 2008 and 2009. A good example is the Mt Magnet water reserve, and also the change in policy towards former pastoralists when properties purchased by the previous government were suddenly exploited for future exploration.

**Mr M. McGOWAN:** I am pleased the member for Kalgoorlie raised that. We got on well in 2006 when we came up with the policy for the banded ironstone formation project.

**Mr J.J.M. Bowler:** But even that got out of hand after you left the environment portfolio.

**Mr M. McGOWAN:** We agreed on a process, and I believe it is good to preserve large parts of the banded ironstone formation. I would also agree that large parts of it could be mined, but this report seems to indicate they should all be mined. I do not agree with that. Some areas of the mid-west of the state should be preserved, and those areas are some of them.

The pastoral lease program that the member mentioned was implemented as a joint state-commonwealth program in the early 2000s, when the commonwealth government, under Robert Hill, commenced the process of purchasing pastoral stations that were no longer viable—the idea being that at some future point they would be converted to a conservation estate.

There are mechanisms for doing that. The national parks or A-class reserves make mining impossible or very difficult.

**Mr J.J.M. Bowler:** You won't get any argument on that but all of a sudden the ground rules change on the exploration activity of former pastoral stations.

**Mr M. McGOWAN:** I do not understand how that can be because there is no legislative change. I am unaware of what the member is referring to. I certainly support there being a large and vibrant conservation estate in Western Australia.

**Mr J.J.M. Bowler:** Tell me, after that policy that was approved, as we planned to do—in other words, find out what was best to mine and mine it and find out what was best to conserve and conserve it; and, in the end, the EPA wanted to conserve everything—which one of the banded iron formations in the mid-west was approved in the past 18 months?

**Mr C.J. Barnett:** Apart from that, you did a great job. You've just spoken for 30 minutes about how wonderful you were as environment minister. Now we've just heard one of your former colleagues tell the truth.

**Mr M. McGOWAN:** I think the Premier had better go back to sleep! Everyone here knows that he was just asleep. I did not say how wonderful I was as environment minister; I was correcting the record. Winners write history, and the Premier won the election and he will write the history for the moment, which is that nothing happened on our watch. I was just saying that 170 new mines and all those major projects happened on our watch. A number have closed on the Premier's watch, by the way.

Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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In relation to the banded ironstone formations, as this report—the member for Kalgoorlie reflected that—fails to realise, the EPA provides advice to the minister. The minister makes the decision. Whatever decisions are made are the minister's. I note that the new minister recently made a decision about that. I am unaware of any specific examples of what the member is referring to. It is always good to speak of exact examples rather than generalities because that is how we got ourselves into this mythological stage that nothing happens in Western Australia. If the member for Kalgoorlie can provide examples, that would be a good subject for a speech in future so we know what he is referring to and maybe what this report is referring to rather than the idea that there is some mythological problem in WA. There are problems. There are problems in every state and every country in the world.

**Mr I.C. Blayney:** What about the approval process debate that is going on in Asia Iron through Extension Hill?

**Ms A.J.G. MacTiernan:** Their biggest problem is the cap. They're not going to be able to get their iron ore out. How are they going to get their iron ore out?

**Mr B.J. Grylls:** By rail line.

**Ms A.J.G. MacTiernan:** Where is the rail line going to go to?

**Mr C.J. Barnett:** Straight past their mine.

**Mr M. McGOWAN:** The Leader of the National Party's boss keeps interjecting on me. I cannot sit down.

**Mr B.J. Grylls:** That's 36 minutes not on the bill. I think we're doing all right!

**Mr M. McGOWAN:** It is 26. The minister's boss keeps interjecting on me so I cannot sit down. The member for Kalgoorlie says that he has never been happier. I thought he was pretty happy when we made him a minister but maybe he is happier now that he is not a minister.

**MR V.A. CATANIA (North West) [11.33 pm]:** I rise to support the Royalties for Regions Bill 2009. Why do I support royalties for regions? I support it because my electorate supports it and because it is a way of righting the wrongs of the past. I know that I have been critical of royalties for regions in this place before.

*Point of Order*

**Mr M. McGOWAN:** Madam Acting Speaker, my recollection is that the member for North West has already spoken on this legislation. If that recollection is incorrect, I look forward to your correction.

**The ACTING SPEAKER (Mrs L.M. Harvey):** There is no point of order.

*Debate Resumed*

**Mr V.A. CATANIA:** Yet again, the Labor Party has got it wrong.

My electorate supports the royalties for regions program. Since leaving the Labor Party, more than 1 400 people in my electorate—mainly Labor but a lot of people from the Liberal Party—who have contacted me have supported my move across to the National Party.

We have heard —

Several members interjected.

**Mr V.A. CATANIA:** The member for Albany should just hold on; he will get his turn in a second.

What we have heard adds weight to the decision that I have made. I want members opposite to keep interjecting. When I made the decision to leave the Labor Party, the true colours of the Labor Party were shown. I do not want to delve into the machinations of the Labor Party, because that is in the past. That is a piece of past history. I have no regrets about leaving the Labor Party, because I believe that the party that represents regional WA and has a policy of delivering to regional WA is the National Party.

One of the reasons I left the Labor Party is that it has become city-centric. Now people have seen exactly how city-centric the Labor Party has become, with comments such as, "This is an unsustainable program. This is inequity gone mad. We just can't support it." The member for Willagee, the former Premier, has now come into this chamber and bagged a program that people in regional WA obviously want, but during the election campaign the best policy he could come up with was to close the bar at Parliament House. Tell me which is a better policy—royalties for regions or closure of the bar at Parliament House! Anyway, I do not want to delve into the problems of the Labor Party. However, I will say that given half a chance at the next election, if the National Party does not maintain the balance of power, the Labor Party will take away royalties for regions. I

Mr Chris Tallentire; Mr Fran Logan; Mr Roger Cook; Mr Joe Francis; Ms Andrea Mitchell; Mr John Bowler; Mr Alan Carpenter; Mr Mark McGowan; Mr Vincent Catania; Acting Speaker; Dr Mike Nahan; Mr Colin Barnett; Mr Peter Watson; Speaker; Mr Mick Murray; Mr Brendon Grylls; Ms Alannah MacTiernan; Mr Paul Papalia; Mr Terry Redman; Mr David Templeman; Mr Tom Stephens

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have to say that probably the Liberal Party will take away royalties for regions if the National Party loses the balance of power. Therefore, it is vital that the balance is held in National Party hands. People opposite me know exactly what I mean. Look at the language that they have used. Look at what the Leader of the Opposition said.

Several members interjected.

**Mr V.A. CATANIA:** Members opposite have had their chance to speak. They should show some respect. They have had their turn. The Leader of the Opposition stated —

Government members have locked themselves into an unsustainable royalties for regions deal, which is already causing 500 public sector redundancies —

Several members interjected.

**The ACTING SPEAKER (Mrs L.M. Harvey):** Member for Collie-Preston!

*Point of Order*

**Dr M.D. NAHAN:** I cannot hear a thing that the Speaker is saying.

Several members interjected.

**Dr M.D. NAHAN:** I have not been sleeping, member.

**The ACTING SPEAKER:** Point taken, member for Riverton. The member for North West has the call.

*Debate Resumed*

**Mr V.A. CATANIA:** Thank you, Madam Acting Speaker.

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

**The ACTING SPEAKER:** Member for Mandurah!

**Mr V.A. CATANIA:** As I said, the language that has been used by the opposition is to discredit royalties for regions and to say that it is unsustainable. Pretty well every city member of the opposition has supported the opposition's campaign against royalties for regions. The member for Collie-Preston, the member for Albany and the member for Pilbara are good local members of Parliament. They have represented their constituents very well. I know personally that they love royalties for regions; I know that. However, I am not going to disclose the conversations that we have had in the past, because that would not be right. I am here to do what is best for my electorate, and what is best for my electorate is royalties for regions.

Several members interjected.

**The ACTING SPEAKER:** Order, members! I have given the call to the member for North West. At the moment Hansard cannot record any of the goings-on or anyone's comments, which might well be a good thing. I remind a number of members that they are already on their third call. I will call people. I have given the call to the member for North West.

**Mr V.A. CATANIA:** What members opposite have been saying has been quite disappointing. On several occasions members opposite have brought up the fact that age is a problem in this house. The member for Albany and the member for Warnbro have brought up age. It was claimed that age is the reason I made the decision to swap sides and join the National Party with a policy! Does it matter what colour, what sex or what age —

**Mr P. Papalia:** The member is young and immature.

**The ACTING SPEAKER (Mrs L.M. Harvey):** Member for Warnbro, I call you to order for the first time!

*Point of Order*

**Mr M. McGOWAN:** During the member for North West's speech, he indicated that he welcomed all opposition interjections because he wanted to deal with them all one by one. If the member for North West is going to engage in commentary like that, he has to expect there to be interjections. When members act in an aggressive and insulting manner towards other members of the house, they are going to receive interjections. All I would say is that perhaps there needs to be counselling on both sides.

**Mr C.J. BARNETT:** There is no point of order. What we are seeing here is a bitter Labor Party trying to sledge the member for North West.

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**The ACTING SPEAKER:** The member for North West invited interjections. However, a number of members shouting the member for North West down at once does not give Hansard any opportunity whatsoever to record any relevant interjections. Member for North West, you have the call. Members, I will be calling members if this place falls into chaos again.

*Debate Resumed*

**Mr V.A. CATANIA:** It is disappointing that age has been brought into the decision for me joining the National Party to support a program that supports regional WA. Like I said, it shows the true colours in this place that if a member is young, is a woman or is black, that member has a problem. That is exactly what members opposite have been doing. Like I said, it is disappointing that comments have come from members opposite me—those who have been so passionate about issues that affect their constituencies. I refer to members like the member for Mindarie who has been passionate about the Mallard case. He stands there and criticises anyone else who is passionate about what they believe in. I believe in regional WA getting its fair share.

Opposition members interjected.

**Mr V.A. CATANIA:** The member for Mindarie recently became a father and knows how important the health system is.

Several members interjected.

**Mr V.A. CATANIA:** Let me finish, members. The state of the health system left by the previous member for Fremantle could have cost me my son.

Several members interjected.

**Mr V.A. CATANIA:** Perhaps members might want to listen to this. This is something that played very heavily on my mind —

**The SPEAKER:** Thank you, members!

**Mr V.A. CATANIA:** Like I said, members, the member for Mindarie, who recently became —

**The SPEAKER:** Member for Collie-Preston, you are on two warnings already. I do not want to put you on a third warning. I would like to hear less from you at this moment. I like hearing from you generally—do not get the wrong impression—but I want to hear less from you at the moment; likewise the member for Albany. Member for North West.

**Mr P.B. Watson:** Can't we change the speaker!

**The SPEAKER:** Member for Albany, I do not know why you needed to interject at that moment. I do not know. I am formally going to call you for the second time.

**Mr V.A. CATANIA:** Like I said, the member for Mindarie has, in this house, criticised my move to the National Party. He has been very passionate about issues that relate to his electorate—issues such as the Mallard situation and mandatory sentencing.

*Point of Order*

**Mr M. McGOWAN:** This legislation is about royalties for regions.

Several members interjected.

**The SPEAKER:** Thank you, members!

**Mr M. McGOWAN:** I did not realise I was such a comedian, Mr Speaker! It is not about the member for Mindarie and the Mallard case. I ask that the member for North West come back to the issue.

**The SPEAKER:** I hope the member for North West will come back to the issue.

**Mr V.A. CATANIA:** Absolutely, and this is part of the reason why I left and supported —

**Mr P.B. WATSON:** We are talking about royalties for regions, not why the member for North West deserted his political party and went to the other side. That is not relevant.

An opposition member: And betrayed his electorate.

**Mr P.B. WATSON:** Yes, and betrayed his electorate; that is not part of this legislation.

**Mr C.C. Porter:** Your whole party wanted to join him and now you are upset that he did. It's ironic.

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**The SPEAKER:** Members on both sides, I am sure the member for North West does not need any assistance in addressing the topic, and I hope that he will address the topic.

*Debate Resumed*

**Mr V.A. CATANIA:** Thank you, Mr Speaker. I was talking about the state of the health system left by the previous member for Fremantle, the former Minister for Health. When my son was born two years ago, two years ago in fact in a month, I was lucky that at the time —

**Mr M.P. Murray** interjected.

**Mr V.A. CATANIA:** It has to do with the health system and the reasons why royalties —  
Several members interjected.

**The SPEAKER:** Members! I ask the member for North West to take his seat. If members wish to continue to interject, I will formally call them to order again. I am interested in what the member has to say. I hope other members of this place might be interested. I cannot make them interested, but I do want to hear the member for North West.

**Mr V.A. CATANIA:** Thank you, Mr Speaker. As I said, at the time I was member for Mining and Pastoral Region I travelled around the majority of Western Australia. I was in Carnarvon one weekend and had to travel to Perth for a meeting in Kalgoorlie. My wife was at home and I came back from Kalgoorlie on Monday evening. I had intended staying over in Kalgoorlie but something told me that I must get back, as I had to attend Parliament the next day. I got back to Perth and my wife, who was only seven months through her pregnancy, went into labour two months early. Members opposite did not know what was going on, but, to cut a long story short, we spent three weeks in intensive care in King Edward Memorial Hospital. The point I am trying to make, which has relevance to royalties for regions, is that given the state of the health system, if we had been in Carnarvon or Karratha, my son's life would have been jeopardised by the lack of facilities and the ability to get my wife to Perth to ensure that everything went according to plan. Members opposite have been interjecting and do not understand that situation. However, it was a very hard time and it highlights that the neglect of the regional health system over many years, not only by the previous government but also by the government prior to that, was huge.

Several members interjected.

**Mr V.A. CATANIA:** One of the issues that played on my mind about this bill was the ability to deliver a strong health system in regional WA. One of the big beneficiaries of the royalties for regions money will be the health system, particularly Nickol Bay Hospital.

Several members interjected.

**The SPEAKER:** Thank you, members!

**Mr V.A. CATANIA:** This bill will ensure that \$10 million is allocated to develop appropriate plans for the redevelopment of Nickol Bay Hospital and will ensure that the health system will be tailored to the people who live in the north west.

However, it is quite amazing that nothing in the Labor Party has changed; members do not want to accept royalties for regions.

In today's paper, we see the headline "Uranium gag adds to Labor rift". This is part of the problem. Members of the Labor Party cannot say what they believe in. When it comes to regional issues, the gag was well and truly on many members, because it has become a city-centric party. What really shocked me was that, when there is so much support in regional Western Australia for royalties for regions, members like the member for Victoria Park are trying to work out how to ensure that a program similar to royalties for regions can be developed. I will quote from the article in *The West Australian* —

Opposition Leader Eric Ripper has banned two of his senior frontbenchers from discussing Labor's uranium mining policy publicly as deep divisions over the issue threaten to split the party.

...

The State ALP still has a "no uranium mining" policy but Mr Wyatt said it would be "nonsensical" for a future Labor government to close the mines.

...



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But Mr Ripper's uranium spokesman, shadow mines minister Jon Ford, said uranium promoters should not think a Labor government would stick by approvals given by the Barnett Government.

"I don't want to give any confidence to the mining industry in relation to uranium mining," Mr Ford said.

...

In the Kalgoorlie Miner article, Mr Wyatt floated the idea of uranium royalties being tied to a future fund that would be used for regional development but Mr Ford said yesterday it was not the shadow treasurer's role to "speculate on a royalties scheme".

*Point of Order*

**Mr M.P. MURRAY:** Just a point of clarification, Mr Speaker. Do my points come back after 12 o'clock?

**The SPEAKER:** Your points, member?

Several members interjected.

**The SPEAKER:** Order! Further to that point of order, if I could wave that sort of magic wand for you, member for Collie-Preston, I certainly would; but unfortunately, until this parliamentary session has finished, you keep the points allocated to you.

*Debate Resumed*

**Mr V.A. CATANIA:** Reading that news article, it was quite interesting to recall that, a couple of years ago, when I was in the other place, the Greens (WA) introduced a bill to legislate against uranium mining in this state. It was quite amazing to see who did not support that bill. Every member of the Labor Party, including me at the time, voted against that legislation. However, during the election campaign, the Labor Party had a policy to legislate against uranium mining. Can members see the hypocrisy that exists, and can they see the frustration one would have if one wanted to actually do something and represent an electorate in the right manner to ensure that it gets its fair share? When it comes to saying words like "fair share" and "royalties for regions", I can remember using that language in federal elections and so forth. For the first time, we are seeing a leader of a party say these words, and actually start to deliver on something that he is committed to. For the first time, the leader of a party is delivering what he has said. This program is delivering revitalisation to the Pilbara. I know that in the past I have gone on about the Gascoyne missing out, and it did miss out in the first round of this government's budget, but I want to ensure that I can properly deliver and be a member who does what he is elected to do; that is, represent his electorate, instead of criticising. We see all these headlines like "Labor attacks royalties scheme", "Opposition says royalties a waste of money", "The rorts to the regions continue", "Barnett's regional royalties deal will backfire, says opposition" and "Nationals rorting royalties: opposition".

How can anyone in regional Western Australia have confidence in electing a Labor government that will not look after regional Western Australia? I am glad that the member for Albany is here because he says that I am young and that I should not have done what I did, but I say to him that he is too old. Perhaps he should take a leaf out of my book and stand up for what he believes in. One is never too old or too young to stand up for what one believes in.

Several members interjected.

**Mr V.A. CATANIA:** If he does not believe in royalties for regions, I urge him to not vote for it. We have an opportunity to ensure that the people in the north west get their fair share from the royalties that they produce. I believe that the best way I can represent my electorate is to be a part of that and to be a part of the National Party and its policy that is based on regional Western Australia; it is not based on Perth. It is interesting to hear city members opposite say that they want royalties too. It is okay for them to drive to the hospital and get the services that they need and it is okay for them to be able to go for a swim in a pool or have recreational pursuits or use the recreational facilities for their children. However, that has been sadly lacking in the seat of the North West. I am hopeful that the vision that I know the Minister for Regional Development has for the north west is on par with the vision that I have.

[Member's time extended.]

**Mr V.A. CATANIA:** More importantly, it is the same vision that the people in my electorate of the North West want. They want to ensure that we have a health system that can provide the services the electorate needs. I want to see the health system split into two because I do not believe that it is delivering what it should to regional Western Australia. It would be great to see a separate regional health system so that we do not see money

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disappearing on the way through to regional Western Australia. My number one plan is to ensure that Nickol Bay Hospital is developed into a state-of-the-art health system that the people of Karratha truly deserve. We have other big projects like the Nickol Bay Hospital but the royalties for regions funding is there to supply the one percenters such as erecting permanent shade sails over swings. When there is so much heat throughout the year in my electorate, it is important to let the children play on the swings without the fear of them getting burnt. I believe that the royalties for regions policy will deliver on those one percenters. Parks will be redeveloped so that families can go there for picnics.

We have a shortage of marinas in the north west and in all of Western Australia. I would love to have a marina built at Dampier and to create Karratha as the city of the north west. It is important to go down that path. We must ensure that it becomes a city so that it can get the amenities that it deserves. If we can create marinas and some high-rises at an acceptable level, such as a six-storey development, it would ensure that people would want to live and work in the north west to enjoy the lifestyle. We will try to reduce the impact that the fly in, fly out worker arrangement is having; it is killing the towns in the north west and all over Western Australia. It is important to try to make regional towns an attractive place in which to live and work, and that is what the royalties for regions funding can do. It can provide skate parks to Wickham and the land development at Roebourne that is urgently needed.

It is disappointing to hear members opposite talk about Indigenous affairs.

The state of Roebourne is disgraceful. It is disgraceful for every person —

Several members interjected.

**Mr V.A. CATANIA:** The state that Roebourne is in at the moment is disappointing and disgraceful.

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

**The SPEAKER:** Member for Mandurah!

**Mr V.A. CATANIA:** I hope royalties can assist in providing a housing development such as the NASH project, which, can I say, got no response from the previous government, which is just disgraceful. We can get projects like NASH a youth centre that is desperately needed in Roebourne to perhaps deal with some of the issues that currently exist.

Several members interjected.

**Mr V.A. CATANIA:** Members opposite make fun about providing pieces of royalties for regions to towns that desperately need them, but are they happy to see a two-year-old child die? Are they happy to see people suffer from criminal activities because there is no facility to —

Several members interjected.

**Mr V.A. CATANIA:** Members opposite joke and laugh about such matters of importance.

Several members interjected.

**The SPEAKER:** Members!

**Mr V.A. CATANIA:** Anyway, I will go on, because obviously people opposite do not really care about regional Western Australia.

**Mr D.A. Templeman:** Go and live where you argue for! You don't even live there!

**Mr V.A. CATANIA:** Here we have —

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

**The SPEAKER:** Member for Mandurah, I have warned you already and I formally call you for the second time.

**Mr V.A. CATANIA:** It is amazing how the opposition is trying to shout me down. Does that not show the level of commitment that members opposite have to regional WA?

Several members interjected.

**Mr V.A. CATANIA:** Does the member for Albany support royalties for regions?

**Mr P.B. Watson:** I do.

**Mr V.A. CATANIA:** Does the member for Mandurah support royalties for regions?

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**Mr D.A. Templeman:** Absolutely! As long as it is fairly distributed —

**Mr V.A. CATANIA:** Hear that? There is always a condition attached to it.

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

**Mr V.A. CATANIA:** The member for Mandurah is a great actor—he should keep acting! But he does not fool anyone on this side. The opposition makes fun and makes a mockery —

Several members interjected.

**The SPEAKER:** Members! Member for North West, if you invite the interjection, expect something to come back. I say to those people who do interject that when the member for North West is on a fishing expedition and is putting bait out, maybe sometimes you should resist it.

**Mr V.A. CATANIA:** It is amazing to see what happens when a member makes a move that his electorate wants. As I said, over 1 400 people in my electorate sent me emails, text messages, phone calls and letters in support, and people were coming into my office to support my move.

Several members interjected.

**Mr V.A. CATANIA:** There have been some negatives; there are the hard-line Labor Party people who are disappointed—20 in total and one negative email. That is the extent of the disappointment in my electorate. However, the enthusiasm that I have is unbelievable, as is the support and number of people who want to be a part of a slogan, as the opposition puts it, but a slogan that has a policy to deliver to regional WA.

I think the biggest threat that people opposite feel relates to my moving to the National Party. Members over here have seen the way that they have behaved tonight and the way they behaved the moment that I put in my resignation from the Labor Party. Members have seen their true colours and heard the lies, and I think the public has really learnt what members opposite are all about. I thank the opposition for giving publicity to the fact that I have done what is in the best interests for my electorate.

**Mr P.B. Watson** interjected.

**Mr V.A. CATANIA:** Keep going, member for Albany, because you are adding to exactly what I have been doing—that is, standing up for my electorate and ensuring that it gets its fair share —

Several members interjected.

**Mr V.A. CATANIA:** It is funny that all these members who are yelling are the ones who had barbecues at my home in Carnarvon. They have brought presents and alcohol to drink at my place to sit around and enjoy a good meal, so it is quite funny that these members say that. I am glad that they have brought up the fact that people do not live in their electorates. There are 24 members on the opposition side who do not live in their electorate! The majority are not —

Several members interjected.

**Mr V.A. CATANIA:** Therefore, members opposite should be careful.

I will come back to what we are in this place to debate tonight—that is, royalties for regions. We are in this place to ensure that regional WA gets its fair share. I am in this place to ensure that we deliver and make sure that projects go ahead, like the Carnarvon police station and courthouse, which, can I say —

Several members interjected.

**The SPEAKER:** Members!

**Mr V.A. CATANIA:** — several former ministers over on that side did not want to happen, which has unfortunately influenced government departments to try to stop this project from going ahead. It is disappointing because the Carnarvon community worked so hard to make representations to the previous government to ensure that it got its police station and courthouse at the right place. I will do everything I can to convince the present government about that. We are making progress with the Minister for Police on ensuring that the police station and courthouse are built in a timely fashion—and, more importantly, that they are built on the right piece of land, and that is the Traders site. Yes, the funding for the Carnarvon Hospital redevelopment was taken out of the budget. However, it was a struggle. The money that had been allocated by the previous government was \$6.7 million, with the project to commence in 2011. I have since learnt that that \$6.7 million would not have

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been enough to even give that hospital a coat of paint. As the local member, I need to ensure that we get more funding so that we can finish the second stage of Carnarvon Hospital.

There is a great opportunity for regional Western Australia with this Royalties for Regions Bill. I encourage all regional members to get behind this very important legislation. This is an opportunity to right the wrongs of the past and to ensure that infrastructure services are delivered for regional Western Australia. I am confident that, instead of criticising, members opposite can help shape this very important program. We need to ensure that health services are provided in regional areas so that people do not have to travel hundreds, if not thousands, of kilometres to get basic medical treatment.

**Mr M.P. Murray** interjected.

**The SPEAKER:** Order, member for Collie-Preston!

**Mr V.A. CATANIA:** We need to ensure that kids have a place to play where they do not get burnt by the sun because they do not have a shade sail. We need to ensure that teenagers have a leisure and learning precinct so that they can be occupied rather than roam the streets. We need to ensure that there are youth centres so that we provide some immediate respite to parents. We need to ensure that there are safe havens in places such as Roebourne, which have been neglected for so long.

Several members interjected.

**Mr V.A. CATANIA:** Members opposite may not agree with my decision to leave the Labor Party and join the National Party, but I think all members would agree that this policy of royalties for regions is the right policy to deliver to regional Western Australia. I urge members opposite to put their personal differences aside and to focus on their electorates and ensure that their constituents get their fair share. I know that there are some very good regional members on the other side of this place, and they work hard for their electorates. However, I urge them to get behind this policy to make sure that it happens.

**MR B.J. GRYLLES (Central Wheatbelt — Minister for Regional Development)** [12.08 am] — in reply: It is my pleasure to respond to the second reading debate on the Royalties for Regions Bill. We have spent an interesting couple of hours, both tonight and in the previous debate on this bill. I thank all those members who have made a contribution to this debate. If we take out some of the yelling across the chamber, and some of the politics that invariably enters a debate in this chamber, I believe there is genuine goodwill on all sides of the Parliament from both opposition and government members, new members and old, about the royalties for regions policy. I believe all members would agree that royalties for regions presents a unique opportunity for us to do better in delivering infrastructure and services to regional Western Australia. The challenge before me as the Minister for Regional Development, and the challenge before cabinet and government members, in conjunction with the opposition, is to work hard to ensure that every dollar that we spend delivers a good outcome.

I have been somewhat offended by the notion, which has some political carriage, I suppose, that this is a slush fund for the National Party and that we do not care about how we do things and are throwing money around like confetti. That is impossible to do. We cannot do that. We have a very robust system through cabinet, the Expenditure and Economic Review Committee and Treasury. Business cases need to be developed so every single dollar that has been identified as royalties for regions funding has been gone through. There is nothing in royalties for regions funding that has not been 100 per cent endorsed by the Premier, cabinet and Treasury and every member on this side of the Parliament. That is as it should be.

Can I have members understand one thing from this debate; that is, there is no legacy for this unusual political circumstance. If this is a pork-barrelling run by the National Party that disappears off the face of the earth as soon as we are not here, it would be a fundamental failure of my time as a member of Parliament, which started in 2001. I am absolutely determined that for this project, which is wont to be labelled as being just that, I will spend every possible hour that I can as minister to ensure that we put in place the governance, the reporting and accountability requirements. This will ensure that future governments that will not have the Nationals in a balance of power position, whether they be Labor or Liberal governments, will see that royalties for regions funds, or whatever they want to rename them—I do not mind what they are—are necessary to continue to invest in the future of regional Western Australia. That will be the legacy that I, now as Minister for Regional Development, and during the election campaign as the Leader of the National Party campaigned on and on which I then formed a power-sharing alliance with the Premier and other members of the Liberal cabinet; that is the legacy that we seek to leave. My colleagues in the ministry, the member for Wagin and the member for

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Blackwood-Stirling, are absolutely determined that there is a legacy from royalties for regions for what has been put forward. We will work day after day after day to try to achieve that. That is why I take some offence at this notion that we are throwing this money around like confetti and do not care about the outcome but only about what colour streamers are attached to the program—because to do that would be a failure. If members opposite can pin that on me as Minister for Regional Development, it would be labelling me a failure and I would exit this place. My time will have been completely wasted. I am absolutely determined that that will not be the case. I am absolutely committed to getting correct the government reporting and all the requirements that the opposition would seek. I believe that we are already doing most of that. We have encouraged the Auditor General to be involved in our process. He will investigate it and in fact be reporting back to Parliament in the coming months on his first pass on the government's requirements for royalties for regions. That is good. The Corruption and Crime Commission has recently travelled to meet with all the development commissions and the director general of the department in Kununurra to talk about their obligations under reporting requirements and so forth. We are absolutely determined to try to get this right. We will not get it right all the time. This is a new program. We are putting in place new measures. Just as the previous government had examples of projects that they put in place that could have had better outcomes, I am sure that we will suffer the same fate. It will not be a fate suffered because we do not try with every skill that we have to put in place the checks and balances, the auditing requirements, the governance required and the monitoring of that program going forth. I am more than happy to enable the Parliament to see that much. It is already on the website. If members were truly interested, they would have looked at it anyway. Of course, many of the comments that have been made in this place in this debate have not come from members because they actually have an interest in the subject, but because they want to undermine the project. That is what oppositions do, and I have no problem with that. Certainly, we believe that we are trying to set up a program for the future.

I will run through the alleged pork-barrelling slush fund that members opposite continually want to denigrate so that they can identify for me which of the projects they consider to be part of this government's pork-barrelling slush fund they want scrapped.

The Royal Flying Doctor Service will be allocated \$35 million. I am happy to announce that the RFDS brought into play two new planes and two replacement planes on the weekend. I think that it is a project that has bipartisan support.

The patient assisted travel scheme will, under this legislation, give regional patients greater access to support should they be required to travel to the metropolitan area to access medical treatment. I have not heard any negative comments about the patient assisted travel scheme in this house.

The boarding away from home allowance will give more support to regional students who need to move away from home for education by providing the financial requirements to do that. I have not heard any criticism of that allowance.

Community resource centres have been criticised by the shadow Minister for Regional Development as a pork-barrelling exercise in the wheatbelt. However, in the eight years that the opposition was in government, no telecentres in the wheatbelt region were closed. They continued to be supported by the previous government. A problem did not arise in the eight years that the opposition was in government. All this government has moved to do is to boost service delivery through the telecentre network services by improving their capacity to deliver an outcome for linking government more closely to communities in the 103 towns in which they exist. The comment was made that it is pork-barrelling. If it is pork-barrelling under the Liberal-National government, it was pork-barrelling under the previous government. We have not established any additional telecentres. All of them existed under the previous government and they were not scrapped by that government because there was not a problem with them. I suggest the criticism of that has arisen because it makes good media copy for the opposition to do what oppositions do; that is, oppose government legislation. We are very excited about what can be delivered through the telecentre network across all government departments.

**Mr P. Papalia:** Will you get the Auditor General to look at the swimming pools?

**Mr B.J. GRYLLS:** The Auditor General will look at everything.

I have referred to the community services fund.

**Mr P. Papalia** interjected.

**Mr B.J. GRYLLS:** I will come back to the local government fund.

I will move to the exploration incentive scheme, which is very strongly supported by the member for Kalgoorlie. Drilling rigs that were parked and not exploring are now on the ground exploring in regional Western Australia.

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The minerals exploration scheme is a once-in-a-lifetime opportunity to support exploration in areas that would not normally be explored. Coupled with our move to speed up the approvals process to ensure a better system for the mining sector, that program will deliver long-term benefits to not only this government, but also future governments. I have not heard any criticism from the opposition of the minerals exploration scheme.

The Ord-east Kimberley expansion project was endorsed today by the Commonwealth Scientific and Industrial Research Organisation, which said that there is much potential to be developed in the east Kimberley. The commonwealth government has done its analysis of the potential of, and the opportunity in, the east Kimberley. Kevin Rudd and our Premier have agreed to partner to deliver a \$415 million infrastructure project in one of the most remote parts of Western Australia. I have not had one question from opposition members on the Ord-east Kimberley expansion project; therefore, I assume that they support it. I still have not identified anything that members opposite have labelled as a pork-barrelling exercise.

I refer now to the Pilbara revitalisation plan. I think that all members understand that the need to improve the amenity in those Pilbara communities is extremely important. We are moving to partner with local government and industry to deliver a complete revitalisation of every town in the Pilbara. That work is underway. Projects are already appearing, and that is very important given the recent announcement. I have not heard any criticism of the Pilbara revitalisation plan. The regional airport development scheme, which existed under both the previous coalition government and was continued under the Labor government, has received royalties for regions funding and is delivering a good outcome by expanding airports in regional areas. There has been no criticism from the opposition about that. We are building 400 houses under the Government Regional Officers' Housing scheme.

**Mr D.T. Redman** interjected.

**Mr B.J. GRYLLS:** The member for Collie-Preston might want to read the last paragraph of that newspaper article!

GROH is probably the most important project that we are rolling out. The lack of quality housing for essential government workers in regional areas was a major disincentive for people to work in the regions. Under this policy, already 100 houses are on the ground. Once again, there has been no criticism from the opposition.

**Mr P. Papalia:** Are you talking about the ones built for local government?

**Mr B.J. GRYLLS:** I am talking about the state government's GROH program to construct 400 houses, which is funded through royalties for regions, of which 100 are already in situ.

**Mr P. Papalia:** I questioned the ones built under the country local government fund.

**Mr B.J. GRYLLS:** The member for Warnbro has questioned everything about that fund, and I will get to that.

The Nickol Bay Hospital, about which the member for North West spoke, is in a major regional centre that needs to be well looked after. This applies also to funds to complete the Kalgoorlie Regional Hospital project. Those projects comprise the major portion of the money allocated under royalties for regions. I have managed to read those projects to the opposition without hearing any criticism that they represent pork-barrelling or any of the accusations that members opposite generally make against these programs.

It is interesting that the two components of the program that draw the most ire from the opposition are the local government fund and the regional grants scheme. I know why the opposition does not like these. It is because for the first time we have devolved some decision-making responsibility back to the local level. The member for Albany has been most vociferous in his criticism of this.

**Mr P. Papalia** interjected.

**The SPEAKER:** Order! Member for Warnbro!

**Mr B.J. GRYLLS:** The member for Albany has failed to understand that in order to meet the requirements to receive this funding, which are extensive and are available on the website—he has obviously not looked at that—the City of Albany council decided to fund toilets and footpaths. The member for Albany does not agree with that. That is fine. That is allowed!

**Mr P.B. Watson:** My constituents do not agree with it.

**Mr B.J. GRYLLS:** That is wrong, because the City of Albany council is democratically elected—another election is coming up. If the community does not like what the councillors spent the money on, they will vote them out and elect new people. We have come up with a way, supported by the Premier, the cabinet and the

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government, to devolve decision-making responsibility for those infrastructure projects in regional Western Australia.

**Mr P. Papalia** interjected.

**The SPEAKER:** Order! Member for Warnbro! I know that the member is not deaf, and I have heard the minister say that he will reflect on your comments in his speech. I am looking forward to him reflecting on those comments. In the meantime, I am going to formally call you for the second time.

**Mr B.J. GRYLLS:** I advise the member for Albany that in our explicit plan with the local government fund—there are pages and pages of government, governance and other requirements associated with the local government fund that I am sure the member can avail himself of if he is really interested—we are very happy that the Albany city council took the decision to invest in its priority infrastructure. It is unfortunate that that did not match the member's infrastructure priorities. That is not the point; the point is that the Albany city council made that decision and the member's criticism of that led to the claims that government was distant and remote from regional communities. When communities such as Albany said that the most important things that they had to fix were the matters they had raised, centralised government used to say that they could not do that because it did not agree with it, and it would make them build something that they actually did not want. We believe that we have devised a scheme that encourages the participation of local government, because at last they have a revenue stream, through the local government fund, that encourages them to turn into action the infrastructure priorities of their community that were previously on a wish list that was never likely to be turned into a reality. For local government right across the state, at a time when the economy was dipping and when jobs were being lost and when opportunities seemed limited, the local government fund has delivered a major economic stimulus across the length and breadth of regional Western Australia. It has employed people and put in place infrastructure programs that are absolutely vital to the community, and this is yet another example of the anger being strong in the Parliament, but dissipating on the ground in the local community as the local member stands there and enjoys the photo opportunity with the local paper. Things are happening on the ground and it was important that that happened in this economic climate, and we look forward to continuing to work on the infrastructure requirements of local government and to work closely with local communities.

**Ms A.J.G. MacTiernan:** Minister, can I just ask if you are going to address our fundamental concern—that is, that this bill does not in fact guarantee anything? Are you going to address that issue?

**Mr B.J. GRYLLS:** Yes, I am happy to talk about that, but first I will talk about the local government fund. It is very interesting to note that the shadow Minister for Local Government interjected across the chamber and said that I said that local governments were unsustainable. Local government reform, as I see it, is about encouraging local governments to work together to prioritise regional infrastructure projects. When we launched the fund on 18 December, we encouraged them to do just that, and, most interestingly, the member's amendments —

**Mr P. Papalia:** Can I interject without being called by the Speaker?

**Mr B.J. GRYLLS:** No, the member cannot, because the member's amendments actually encouraged just that. The member's amendments to the Royalties for Regions Bill 2009 actually encouraged local governments to work together at the regional level, and I am taking that as an endorsement of what we are trying to do.

**Mr P. Papalia:** Will you take an interjection?

**Mr R.F. Johnson:** No.

**Mr B.J. GRYLLS:** Yes.

**Mr P. Papalia:** He said yes.

**Mr B.J. GRYLLS:** Come on then.

**Mr P. Papalia:** If the local government reforms are about what you just said, why did the Premier, at local government week, tell everyone that it was reducing the number of councils to fewer than 100?

**Mr B.J. GRYLLS:** The Premier talked about his vision for local government.

**Mr P. Papalia:** No, he said that local government reform was about reducing the number of local councils to fewer than 100.

**Mr B.J. GRYLLS:** He talked about what he believed would be a good outcome. The member can play politics, and he might actually even be quite good at it, although I have not seen that yet!

**Mr R.F. Johnson:** I do not think you will, either!

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**Mr B.J. GRYLLS:** The interesting fact is that the amendments on local government reform that the member plans to move to this bill mirror almost exactly the sentiment that we launched on 18 December with the local government fund, and the position that has been taken as we move forward, and we welcome that. I look forward to consideration in detail.

**Mr P. Papalia:** Why, then, was \$100 million given during the first round of the local government fund to all the regional councils across the state, none of which had put in place any of the measures that you have just outlined as being necessary for them to become reformed councils and meet the criteria?

**Mr B.J. GRYLLS:** I dispute that these councils have not implemented these measures that the member talked about.

**Ms A.J.G. MacTiernan:** They have not!

**Mr P. Papalia:** They didn't do any of them.

**Mr B.J. GRYLLS:** I am happy to have that continuing argument. We are very supportive of the 139 local government councils that there are today.

**Ms A.J.G. MacTiernan:** Will you support our amendment then?

**Mr B.J. GRYLLS:** I look forward to saying how we will implement your amendment to the local government fund.

**Ms A.J.G. MacTiernan:** It has to survive! If you get run over by a bus, it has to survive.

**Mr B.J. GRYLLS:** Correct, and I said that at the beginning.

The other thing that brought the opposition a great deal of joy was CowParade in Margaret River. It has used it as an item of ridicule again and again and again.

**Mr P. Papalia:** No, Wilson Tuckey has!

**Mr T.K. Waldron:** Yes, you have.

**Mr B.J. GRYLLS:** What we have done through the regional grants scheme is take the former government's regional government commissions—most of the chairs are the chairs who were in place under different ministers—and encouraged them to make the decisions on funding priorities in their areas. The person that the member for Warnbro picked out for ridicule, Wilson Tuckey, has done it as well. If the member for Warnbro wants to align himself with Wilson Tuckey, he is most welcome to because the position of the member for Warnbro is similar to the position of Wilson Tuckey. They both want to support the scheme locally but if they get a newspaper story, they want to come out and criticise it because they are in opposition and that is what they do.

CowParade in Margaret River is a major tourist event that is being organised by the Augusta Margaret River Tourism Association.

**Mr P. Papalia:** They don't like it in Cranbrook.

**Mr B.J. GRYLLS:** Cranbrook had its own event. It is not up to Cranbrook. There are nine development commissions. The South West Development Commission, on receiving the application —

**Mr P. Papalia:** I'll find out if they like it in Mt Magnet.

**Mr B.J. GRYLLS:** Once again, the member does not realise that each development commission had exactly the same allocation. Each development commission had exactly the same criteria to judge against. The South West Development Commission, in partnership with the Augusta Margaret River Tourism Association, has put forward CowParade. It will be a major iconic tourism event. It has previously had international coverage and it is a good project. If the member for Warnbro wishes to pick out one project and criticise it, he should criticise the whole process.

**Mr P. Papalia:** Cow parades aside, you dismissed my earlier question with regard to the first \$100 million. Noting that the local government reform process only started on 6 February, when the minister made his announcement up in Exmouth and you gave \$100 million to the council —

**Mr B.J. GRYLLS:** On 18 December.

**Mr P. Papalia:** Yes, and they actually got it in the new year because we asked who got it. Not many of them had got it —



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**Mr B.J. GRYLLS:** I do not think many of them got it until about June.

**Mr P. Papalia:** — until about February.

**Mr B.J. GRYLLS:** No, June.

**Mr P. Papalia:** But that is the first \$100 million they have to spend by that financial year and now they have another \$100 million.

**Mr B.J. GRYLLS:** No, it does not. The member for Warnbro actually portrays himself to be a reasoned member of Parliament. All this information is available. He does not seek the information. He seeks to create disturbance. He comes to Parliament with amendments to the bill that are reflective of the general sense of it.

I come back to the fact that the two major areas of opposition concern in the royalties for regions fund are the local government fund and the regional grants scheme. We have said that we do not think that government agencies and departments are the only ones that can make good decisions for regional Western Australia. The two areas where we have said that are the ones that the opposition constantly criticises. We have devolved decision making back to the member for Collie-Preston's electorate, back to the member for Mandurah's electorate and back to the member for Albany's electorate. We have empowered their democratically elected local governments and their development commissions to make decisions on funding priorities for their communities. The governance requirements that are needed and required are wrapped around that project with the oversight of the development commission and all the chief executive officers of the development commission—the same people that the opposition had when it was in government. The vast majority of people in the development commission are the same people that the former government had. For all of this pork-barrelling story that the opposition continues to run, the chairperson of the Wheatbelt Development Commission is Darren West, the Labor candidate for the past two elections running against me. He is a good bloke with a passion for regional Western Australia and someone who is doing a great job in the development commission. When I talk to Darren, Darren talks to me about why I am running this interference on delivering decision-making responsibility to the local community. We will continue to try to devolve responsibility for decision making back to those local communities because we believe that they are much more accountable than the centralised bureaucracy where people we have never met or seen make decisions in the department about priorities in the local community. I believe that our program will deliver many great benefits by empowering those communities to make those decisions. If we run through what the local government fund has built, and if we run through what the regional grants scheme is funding, we see a fundamental change in the empowerment of those regional communities, which are encouraging their leaders to rise up and take advantage of this situation, because future governments will benefit from empowered leadership in those local communities.

**Mr M.P. Murray** interjected.

**Mr B.J. GRYLLS:** As I said, the member can pick out individual examples and criticise them, but it is his community. If the member wants to be reported in the paper as saying that people should scrap the support that they were given by the South West Development Commission on the basis of a good application, he can do that. I will not.

**Ms A.J.G. MacTiernan:** But, minister, the debate here tonight is about the bill, not about what the government has spent the money on. Our fundamental critique —

**Mr B.J. GRYLLS:** The bill is actually about what we have spent the money on.

**Ms A.J.G. MacTiernan:** No, the bill is about supposedly guaranteeing additional moneys. Can you tell us how it guarantees any additional moneys, given that you can set up all these accounts? Can you explain that question of how this —

**Mr B.J. GRYLLS:** All I can explain is that while the Liberal-National government is in place and while I am the minister, with the support of my colleagues, the royalties for regions fund will be pitched at delivering new and improved services to regional Western Australia along the lines of what I have outlined today. We have basically put the program in place. Much of the funding is recurrent funding moving forward. Members should be pretty clear about where we see that vision going forward. The shadow Minister for Regional Development is right. I talked about the longevity of this program. However, a subsequent government can repeal any legislation that we put in place.

**Ms A.J.G. MacTiernan:** No, we're not talking about repealing it.

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**Mr B.J. GRYLLS:** That is when the opposition will have an opportunity to repeal the legislation. In the bill that is before us today, 25 per cent of the royalties are appropriated to the new fund, and we set up the governance and oversight requirements of the regional trust to look at those —

**Ms A.J.G. MacTiernan:** But we have already spent 25 per cent. Without royalties for regions, we have already spent 25 per cent.

**Mr B.J. GRYLLS:** If the member wishes to oppose the bill, she can. However, I will finish my contribution by saying that members opposite all stood and spoke about why they do not like royalties for regions, why it is a joke and why it should be scrapped. The former Premier did so most stridently.

**Mr M. McGowan:** No, we didn't. I didn't say a single word to that effect.

**Mr B.J. GRYLLS:** That is exactly what happened. Then members opposite all said with pursed lips, "However, we'll support the bill", even though every single one of them has opposed it. At the end of the day, the new government has made a commitment to deliver new benefits to regional Western Australia. We will do that to the best of our ability, and subject to the criticism that the opposition will obviously give the program. However, I look forward to perhaps constructive criticism that will deliver a better project. If the shadow Minister for Regional Development is so offended by the fact that she does not believe this bill delivers anything, firstly, she should oppose it; and, secondly, she should have tried to amend it. She has done neither. For someone who regards herself as a political giant and as someone who seeks to head off to Canberra to show the people in the east how things should happen, I would have thought that she would have taken this opportunity to either oppose the bill or make an amendment to sort that out. I am absolutely confident that the bill that we have before us will create the fund and it will create a level of independent oversight to ensure that that fund is not used to cost shift. It will be a good day for regional Western Australia when the bill is passed.

Question put and passed.

Bill read a second time.

Leave not granted to proceed forthwith to third reading.

*Consideration in Detail*

**Clause 1: Short title —**

**Ms A.J.G. MacTIERNAN:** I was quite surprised that the minister did not appear to have understood the basic critique of this bill. The minister made certain claims for this Royalties for Regions Bill. Much of the opposition's critique is based on the fact that this legislation does not meet the claims that were made for it. We are not arguing that this bill should do the things that it should in an objective policy sense. We say that the minister cannot go out to the public and make claims that this bill will carry out this level of expenditure from now into the future and that it will effectively provide the additionality that has been the whole basis of the royalties to regions slogan. It is very important to understand that we already spend in excess of 25 per cent of royalties delivering services and infrastructure into regional areas. Well in excess of 25 per cent of royalty revenue is spent on delivering to the regions. Members would probably find that at least 25 per cent of the total income of the state is spent on delivering infrastructure and services to the regions.

The notion of royalties for regions was that it would be above the normal level of expenditure; it was all about additionality. However, not one single clause of this bill guarantees one iota of additionality. This bill is effectively Treasury's bill. Effectively, it sets out all the different funds into which the funds will go. It creates the major fund for the 25 per cent of royalties for regions, it lists a few sub-accounts into which the money can be put, and it then says "any other account". There could be a country education fund for all the money to be spent building new schools, repairing schools, cleaning toilets and employing teachers. A country health fund could be set up that does something similar for hospitals. We have already seen that happen, even within this first slice of time that we might say is the period of the forward estimates. It was only at the time this agreement was entered into that the government was able to quantify additionality because there was already a forward estimates sum. We have already seen, through two manoeuvres, that this amount of money is not additional. One is that rather routine items of expenditure have been covered by the royalties for regions scheme. We have seen any new hospital building program, for example, coming under royalties for regions, and we see huge amounts of money—in excess of \$500 million worth of regional expenditure—coming out of the 2008-09 budget —

**The SPEAKER:** Member, I put it to you that this is not an opportunity to debate the second reading speech. It is in fact consideration in detail and we are discussing the short title. If you do have a question on the short title, I would like to hear it.

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**Ms A.J.G. MacTIERNAN:** Thank you, Mr Speaker. I was reflecting on the appropriateness of the title of this bill, being the Royalties for Regions Bill, when in fact we know that it will not provide one single guarantee that the whole royalties for regions program will continue to be as it was sold. We already see that, over time, it will be simply a rebadging of all of the things that would normally be funded in our regional areas. Already, at the very bare minimum, 25 per cent of our royalty income, or the equivalent of our royalty income, is spent in the regions. There was record expenditure during the time of the previous government, and this bill does not guarantee anything.

**Mr P. PAPALIA:** I want to join the member for Armadale in airing my concerns about the short title. This bill reflects the same slogan that was utilised by the National Party during the election campaign. We were led to believe that that slogan reflected an intention to provide 25 per cent of royalties above and beyond the forward estimates in perpetuity. If it was in perpetuity, and there was a guarantee of 25 per cent above and beyond the estimates, this would be an appropriate title. It would reflect what the National Party went to the election with. However, as we have come to realise during the course of this debate, and in the course of the second reading contributions, and after taking a closer look at the bill before us, it becomes very clear that this bill has been designed specifically to ensure that, not only does this minister not have to provide what he promised prior to the last election, but no government in the future need do so.

*Point of Order*

**Mr D.T. REDMAN:** I fail to recognise how the statement the member has made relates to the point we are discussing now, which is the short title. This is the very point you made, Mr Speaker. He has made reference to the whole document. I fail to understand the argument about the naming of the document, the Royalties for Regions Bill 2009. Relevance, Mr Speaker.

**The SPEAKER:** Member for Warnbro, I want to hear a question.

*Debate Resumed*

**Mr P. PAPALIA:** I have three minutes and 23 seconds, Mr Speaker. The Royalties for Regions Bill 2009 does not reflect what this bill is presenting to us. The title is irrelevant to the bill, because this bill does not provide royalties to the regions.

**Mr D.T. Redman:** Well, move an amendment to rename it.

**Mr P. PAPALIA:** I could propose that it be titled “the slick election slogan bill” or “the way of sneaking out of an election promise bill”. How about that? Would that be an appropriate title? How about “the way of avoiding having to come up with the promise that you made during the election bill”?

**Mr R.F. Johnson:** Would you support it?

**Mr P. PAPALIA:** I would support it, because it does not compel me, when we win government, to do anything. Why would I not support it?

**Mr B.J. Grylls:** You will not. We know that.

**Mr P. PAPALIA:** I will support it. This is a slick piece of political work that was designed to do nothing other than get the Liberal Party out of the problem it finds itself in. This enables the Treasurer to rebadge the title of a new fund at any time that he wants to and to tack on the end of it “royalties for regions fund”. He can then spend money that is supposedly royalties for regions funding. This is an inappropriate title because it does not reflect what the bill does. How will this bill deliver on the promises that the Minister for Regional Development made during the election?

**Mr T.G. STEPHENS:** As the Speaker is probably aware, the debate on the short title of the bill, in the whole parliamentary tradition of the Westminster system, and in accordance with the practice of this house, has always provided an opportunity during the consideration in detail stage of a bill to talk about the philosophy of the bill as well as the short title.

**Mr D.T. Redman:** I can argue on relevance about what you are saying now.

**Mr T.G. STEPHENS:** If the minister tried to, I would imagine that the Speaker would sit him down because the Speaker knows that the whole parliamentary practice of the Westminster system gives the opportunity for members to debate the short title and to have a debate within the debate on the short title.

**Mr R.F. Johnson:** None of you has done that so far.

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**Mr T.G. STEPHENS:** Yes, we have. The debate on the title is to debate the philosophy of the bill.

**Mr D.T. Redman** interjected.

**Mr T.G. STEPHENS:** The Minister for Agriculture and Food clearly knows nothing about parliamentary practice.

**The SPEAKER:** Order, member for Pilbara! I remind all members in this place, on both sides, that we are talking about the short title of the bill. I urge the member for Pilbara to either ask questions or make points relevant to the short title of the bill, which I am sure that he will do. I also ask other members to give him the opportunity to do that.

**Mr T.G. STEPHENS:** I will do what every parliamentarian across the Westminster world has done when debating the short title of the bill. If that gets me into trouble in this house, that is a reflection on this house and those who chair it; it will not be a reflection on me. I have been here long enough to know how to debate the short title of a bill and I will not be lectured by the minister, who does not understand —

**The SPEAKER:** Member for Pilbara, I am not interested in what you think about other members in this place. I am interested in the bill in front of us, and that is what I want I would like to hear you discuss.

**Mr T.G. STEPHENS:** In reference to the short title of the bill, and in the discussion of it, it would have been a great opportunity in this debate on the philosophy of the bill for the Minister for Regional Development to commit in this stage of the discussion—he has not done it in the response to the second reading debate —

**Mr R.F. Johnson:** You really are struggling, aren't you?

**Mr T.G. STEPHENS:** Yes, it is a bit late.

**Mr R.F. Johnson:** I think your colleagues would like you to sit down.

**Mr T.G. STEPHENS:** On the contrary.

**Mr R.F. Johnson:** The leader of opposition business wants Labor members to sit down.

**Mr T.G. STEPHENS:** Does the leader of opposition business want Labor members to sit down?

**Mr R.F. Johnson:** He doesn't want you prattling on like you are now.

**Mr M. McGowan:** The Leader of the House is misrepresenting me. I said that the member for Pilbara would be the final speaker on this clause.

**Mr T.G. STEPHENS:** I will use the two and a quarter minutes that I have left to be the final speaker on this clause. The debate on the short title gives the minister the opportunity to make some commitments about the handling of this fund that he is yet to make. For instance, the minister is yet to deal with the concern expressed during the second reading debate about the way the National Party is using the Royalties for Regions Bill and the program envisaged in it to be used for narrow, party-political grandstanding. Would the minister countenance within the consideration of the residual clauses of this bill an opportunity to specifically ban the National Party's colours being utilised in the programs that are contained within the Royalties for Regions Bill? This bill could have an additional clause before we get to consider the long title of the bill at the end of the debate. The bill could include a direct prohibition on, for instance, the colour scheme that the government has utilised on the fuel card system whereby the National Party has inflicted on the regional residents of Western Australia an obligation, if they are to benefit from the royalties for regions legislation, to have a green and gold card and a green and gold colour scheme to go with this legislation. If the Minister for Regional Development were to say no and that he would eschew the whole concept of the National Party just simply doing something for its narrow political advantage, and that he would elevate this above narrow party politics and provide the Parliament with an opportunity to endorse legislation that did deliver return and benefit for all Western Australians in regional areas without favouring the National Party, then the bill might be enhanced.

**Clause put and passed.**

**Clause 2 put and passed.**

**Clause 3: Terms used —**

**Mr M. McGOWAN:** Clause 3 is a definitional clause that deals with various definitions of terms used in the body of the Royalties for Regions Bill 2009. The "regional development commission" definition refers to bodies established under the Regional Development Commissions Act 1993. As the minister would be aware, that act provides the capability to create an area of the metropolitan area as part of a region. One obvious example of that

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is the Serpentine-Jarrahdale shire, which is part of the metropolitan area, and is considered to be part of the Peel Development Commission region. A section in the original legislation allows for any area of the metropolitan area—I think if it is contiguous to that country region—to be added in and be considered part of it. For instance, Mundaring and Wanneroo could potentially be included in the wheatbelt, and Rockingham could be included in Peel. Therefore, my question relates to that and whether this clause and how its definitions are used further on in the bill allow for royalties for regions funds to be used to fund projects within the metropolitan area. Is the minister contemplating adding any further areas of the metropolitan area? For instance, my local government area has significant areas of what could be described as rural land. Is the minister contemplating including any of those areas as part of this program?

**Mr B.J. GRYLLS:** I thank the member for Rockingham for the question. There is no intention to look at altering the boundaries of the development commissions. In terms of what that means for funding of the metropolitan area, we have actually had that argument before, and although I did not expressly say that that would not happen, I have not yet seen an example where we would do that. I suppose it depends how the member would term the Royal Flying Doctor Service funding, in that the service is based in Jandakot and so forth. We have not expressly ruled that out and I would not intend doing that, but basically the member has seen in the budget where we have prioritised the programs, and that prioritisation will continue to be done through the budget process.

**Mr M. McGOWAN:** Even though the Peel is an important part of Western Australia, it is not the most remote part of Western Australia. Would it be possible that funds allocated to the Peel could be spent in the city, in the Shire of Serpentine-Jarrahdale, for example, and there would not be anything the minister could do to stop that?

**Mr B.J. GRYLLS:** Once again, we have not expressly ruled out that that is not possible. Projects are prioritised across a range of areas. Government departments do that. Local governments do that. Development commissions do that. As I have said, I am not aware of an example that has been highlighted to me of where there has been a major project that has benefited the metropolitan area arising out of one of these closely-linked development commissions.

**Mr D.A. TEMPLEMAN:** The question raised by the member for Rockingham is valid. The definition of “regional development commission” in clause 3 of the bill states “means a body established under the Regional Development Commissions Act 1993”. The definition of “regional Western Australia” states “means the regions described in the Regional Development Commissions Act 1993”. So when we are talking about regional Western Australia, we are obviously talking about any community that is designated to be within the boundaries of one of the nine regions of Western Australia. I am interested in what the implications may be for this bill if in the future there are any changes to local government boundaries. For example, in the future there may be amalgamations of local governments. I am talking in particular about outer shires such as Mundaring and Serpentine-Jarrahdale, which currently sit in one of the nine regions. A shire that currently sits in one region may share a boundary with a shire in another region. I am aware, as I am sure the minister is aware, that a number of shires are considering voluntary amalgamations. I am interested in what impact that might have on this bill and, ultimately, on the expending of moneys from this fund.

**Mr B.J. GRYLLS:** I thank the member for Mandurah. As I said earlier, I am not envisaging any boundary changes. I think the point that the member is making is whether any changes would be made if any local governments were to amalgamate. My answer is that if that were to occur, we would look at it and go forward. I think the member may be indicating a willingness by a metropolitan council to merge with a council in a development commission area so that they can receive the untold benefits of the royalties for regions program. I look forward to seeing whether that potential exists.

**Mr D.A. TEMPLEMAN:** I thank the minister for his response, but by the time it is proposed to proclaim this bill we might be in a situation in which, as the Premier and Minister for Local Government have already made clear in statements—that is, that they would like to see—Western Australia has fewer than 100 local government municipalities. If that is the case, there could be some radical changes to current boundaries that are within the definition of regional development commissions. If amalgamations occurred that impacted on the current boundaries that are defined under clause 3, and sections 23, 24, 25 and 26 of the Regional Development Commissions Act, what would that mean? For example, would it mean that we would have to have an amendment made to the Regional Development Commissions Act 1993 to reflect the changes in boundaries? We could see a reduction in the total number of regions if there was a radical change to the numbers of local government authorities in Western Australia. I am interested in what impact that might have on the definitions.

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**Mr B.J. GRYLLS:** As I said earlier, should a voluntary amalgamation lead to a wish by an organisation to have the Regional Development Commissions Act 1993 amended, it would request it and the government would consider it.

**Mr M. McGOWAN:** I think it is quite plain from what the minister has said that if some future government wanted to add an outer metropolitan council into regional development commission boundaries—for example, Rockingham, Wanneroo, Mundaring or any of them—there is absolutely no guarantee that it is not possible, because it is quite possible under the existing law. Therefore, money from royalties for regions could be spent in the city. The minister has said that the Royal Flying Doctor Service is based in the city but services the regions. I think it is fair to fund the Royal Flying Doctor Service from royalties for regions because it is predominantly money spent in the country, even though arguably it is money already being spent. However, it is quite plain that a future government, if it wanted to, could expand development commission boundaries to include an outer metropolitan area and so royalties for regions funding would flow to the city. There is nothing to stop that. My point is that this legislation does not stop royalties for regions money being spent in the city, in the same way that it does not guarantee, as the member for Armadale pointed out, that there will be any maintenance of the existing level of expenditure on other programs, and that there will not be additionality of royalties for regions funding throughout Western Australia. I wonder whether the minister will propose any sort of amendment to prevent the very real possibility of royalties for regions money in the millions being spent in the city. Is that no?

**Mr B.J. Grylls:** I have answered the question three times to the member for Mandurah.

**Mr T.G. STEPHENS:** In the terms used in clause 3, I see that this legislation refers to the regional development commissions as established under the Regional Development Commissions Act. I note that parts of the state struggle even with that regional structure, specifically the goldfields and Esperance regions where remote and desert regions are left inside a regional development commission boundary based in Kalgoorlie, with a minimal prospect of the challenges of the remote desert regions of that part of the development commission's responsibilities being attended to. Does the minister or the government have any intention to amend the Regional Development Commissions Act, which is referred to in clause 3, to create any additional development commissions or to use the regional development commission structure to give voice to the regional communities in areas such as the western desert that are not adequately serviced? If the minister is not prepared to do that now, would he be prepared to look at structures that provide opportunities for a greater voice for those communities through the regional development portfolio?

**Mr B.J. GRYLLS:** I thank the member for Pilbara for the question. If the member has examples of what areas in the remote desert regions are not being properly serviced and ways in which things could be done better, I am happy for him to forward them to me. The Goldfields-Esperance Development Commission is, I think, one of the better commissions. It has a good board, a good chief executive officer and a great interest in the challenges of the remote Aboriginal communities in the western desert. I would be more than happy to address that. As I have said previously in answer to questions, there is no intention to change the boundaries.

**Mr T.G. Stephens:** Can the minister at least appreciate that currently there is not a single Aboriginal person on that development commission board, yet the commission has responsibility for the vast, important and challenging areas of the inland? I hope that the debate on this bill about the flow of royalties for regions includes the vast desert land. It is their only conduit to those royalty for regions funds, but they will have to rely upon a structure that has no Aboriginal voice on it.

**Mr B.J. GRYLLS:** We have advertised extensively for board members. If the member can identify somebody who has a traditional owner background and an interest in moving onto a development commission board, it would be very valuable to me. I would be happy to receive that advice.

**Mr T.G. STEPHENS:** Am I right in saying that what is envisaged under this bill is that to some extent some funds, which I understand will be \$3.5 million, will be evenly spread around the nine existing regions? That \$3.5 million for the goldfields-Esperance region is the only money that those communities in the western desert can get access to, yet they have to rely on a structure that is removed from them and is competing with major population centres with major resource activities. It highlights a deficiency in the processes whereby the only conduit for the western desert region to the royalties for regions fund is through the structure that is referred to in this clause. However, that structure is inadequate in meeting the needs of that remote region. This is a good opportunity to recognise that a development commission structure does not meet the needs of those remote communities and that the government needs to find ways of either considering or offering to find a better

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structure for those parts of the state to allow them to get access to the funds that will flow from the royalties for regions program.

**Mr B.J. GRYLLS:** I am currently not aware of a better structure. The previous government certainly did not come up with a better structure in its term of government. Can I suggest that the way in which we will try to get decision-making responsibility closer to the remote communities is through the local government fund and the regional grants scheme, which devolve responsibility back to the goldfields rather than to a centralised bureaucracy. They are the two components of the program that have been most strongly criticised by the opposition.

**Mr T.G. STEPHENS:** I notice this definition —

*Minister* means the Minister responsible for the administration of Part 3;

Why is the minister not responsible for the administration of parts 2 and 3?

**Mr B.J. GRYLLS:** If the member believes that is a fatal flaw in this clause, I suggest that he proposes an amendment.

**Mr T.G. STEPHENS:** I am happy to move an amendment, if the minister is indicating that he will accept it.

**Mr B.J. Grylls:** I will not be accepting an amendment.

**Mr T.G. STEPHENS:** Did the minister not say he was happy to accept it?

**Mr B.J. Grylls:** No.

**Mr T.G. STEPHENS:** Why is part 2 not specified?

**Mr B.J. GRYLLS:** In drafting the definition, the drafting officers believed that that met the criteria.

**Mr P. PAPALIA:** Is it because part 2 covers the country local government fund, and currently that fund is administered by a different minister? Was it left out because of the confusing situation in which the local government minister manages the country local government fund and the Minister for Regional Development manages all the other funds?

**Mr B.J. GRYLLS:** There is nothing confusing about that. There are multiple ministers responsible for delivering royalties for regions funds. The health minister distributes health funding and the local government minister is in charge of the local government fund. That is how we have set up the program.

**Mr P. PAPALIA:** At this moment it is very confusing. The response given during the budget estimates hearings by the local government minister was that all he did was keep the books for the Minister for Regional Development, who distributed the funds. That is a confusing situation and does not replicate the situation with health or any other component of royalties for regions. The country local government fund has attracted a lot of attention and concern on this side of the house, and in the wider community as well, because the minister was determining where the money would go and the poor old bunny, the local government minister, had to take responsibility for it at a different level. Is there anywhere other than this definition that is a little more precise and gives a little more context or guidance as to who is responsible for that specific fund?

**Mr B.J. GRYLLS:** I do not believe it is confusing. We have been very clear on it.

**Clause put and passed.**

**Clause 4: Object —**

**Mr D.A. TEMPLEMAN:** This clause sets out the object of the bill. Does the minister have any information that breaks down, in hierarchical order, the contributions of each of the nine regions of Western Australia and the actual current royalty figures delivered to the state from each of those regions from petroleum and mining? I am particularly interested in knowing where Peel appears on the list—I actually know, but I am very interested in knowing whether my information is correct and matches that of the minister, and whether he has that information available. To me, that links directly to the flavour of the objectives.

**Mr B.J. GRYLLS:** I do not have the figures the member requested with me today, but we will endeavour to get them for the member. I think the point the member is making is that the Peel region is a major contributor to the state's royalty take, with which I agree. The member has a major minerals sector in his electorate, and that is why the Peel region is a beneficiary of the royalties for regions fund.

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**Mr D.A. TEMPLEMAN:** Is that information available through the department? I accept that the minister does not have it on hand, but is that information available? I would be very interested in having that information tabled at some stage in the near future. As we consider the Royalties for Regions Bill 2009 and the objectives that the minister wants to achieve through the royalties for regions legislation, it is important that the people of Western Australia and this Parliament have a very clear understanding and idea of the royalties delivered by each region. Three programs are related to the spending of these dollars, and I think it is important for this house to know the figures that, on a region-by-region basis, are contributing to this ultimate fund that is then, through those three programs, distributed in the way that the minister outlined in the second reading speech.

I could go further in talking about the equity issue, as has been mentioned in this place by members both current and former, in that if a region is making a significant contribution to royalties for the state, then it wants to see some of those royalties spent on funding of infrastructure et cetera in the region. When we actually look at where those dollars go in a genuine, accountable and transparent way, I think it is important to understand which regions are actually contributing how much. We all know, of course, that the Pilbara is unmistakably number one, but I believe there are lots of people in this state who forget that the Peel—the subject of an interesting insert in today’s newspaper—is third in terms of royalty contribution to the state. I think it is third, from memory, but I would like to see those figures. When I look at projects funded through the Peel Development Commission, as they are reflected in the objects of this bill, I am very interested in ensuring that, obviously, the Peel gets its fair share, and that people in this Parliament understand that my region, the region I live in and the region that I represent part of, gets appropriate recognition in the delivery of the funds. I understand that the minister cannot provide the information tonight. Can he give me an assurance that if the department has those figures, they can be made available to me or the minister will table them at some stage? If he can give me that assurance, I will be happy with that.

**Mr B.J. Grylls:** I will get them for you.

**Mr T.G. STEPHENS:** I refer to the object of this act under clause 4, which states —

The object of this Act is to promote and facilitate economic, business and social development in regional Western Australia through the operation of the Fund.

Is there any guarantee that these are the only objects that will be promoted as a result of this bill or are there other objectives that will be promoted within the operations of this program?

**Mr B.J. GRYLLS:** The object of the act is as is printed in clause 4.

**Mr T.G. STEPHENS:** My question is whether there are any other objects that will be promoted with the passage of this bill other than those that are listed.

**Mr B.J. GRYLLS:** In the context of the second reading debate, the contribution of the member for Pilbara and my follow-up contribution, there are broad objects to the bill. Clause 4 is as it stands.

**Mr T.G. STEPHENS:** Would this not have been a good opportunity to have within this clause another object that seems to be uppermost in the mind of the National Party in the way it has administered this scheme so far—that is, to insert as an objective in this bill the opportunity to promote the National Party? It seems that the way the National Party has been administering the program to this point, the colour scheme it has utilised and the way the Leader of the National Party has carried on in reference to it, it would have been more honest to have inserted in this clause that the object of this bill is to promote the National Party.

**Mr B.J. GRYLLS:** I thank the member for Pilbara for the question. I take his support for the second reading of the bill and his indicated support for the bill as an endorsement of the way we are rolling out the bill.

**Clause put and passed.**

Debate adjourned, on motion by **Mr R.F. Johnson (Leader of the House)**.

*House adjourned at 1.28 am (Wednesday)*

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