

Mr Terry Redman; Mr Peter Rundle; Mr Shane Love; Mr Donald Punch; Mr Ben Wyatt; Mr John McGrath; Ms Libby Mettam; Mr Sean L'Estrange; Ms Lisa Baker

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*Amendment to Question*

**Ms M.J. DAVIES:** I move —

That the following words be added after “noted” —

and that this house condemns the Labor government for using royalties for regions to prop up the state’s bottom line at the expense of regional Western Australian communities and economies

**MR D.T. REDMAN (Warren–Blackwood)** [3.37 pm]: I rise to talk to the amendment moved by the Leader of the Nationals WA, which reads —

and that this house condemns the Labor government for using royalties for regions to prop up the state’s bottom line at the expense of regional Western Australian communities and economies

When members opposite went to the election, they laid out a platform supporting royalties for regions. They knew it had currency in regional Western Australia. They knew that regional Western Australia would be watching to understand what they were going to do as it applies to a fund that has fundamentally shifted the sentiment and the culture of regional WA. Those members knew that they would have to have some sort of policy setting on the fund and said, “We support royalties for regions.” When a person from regional WA hears that, they think that the Labor Party supports regional development and royalties for regions. For the first time in their life, Labor members supported all the exciting things that have been happening and planned for in terms of growing, developing and building regional communities. Labor went to the election and there seemed to be no difference between the parties on royalties for regions. What happened then? In Labor’s first budget, royalties for regions got smashed. In its first budget, the first signals were there that substitution was starting to happen. The McGowan Labor government was going to find a way to take some money out of this regional fund, which it said it would support for regional WA before the election, and put it into Perth projects and Metronet. That is the great con of this term of the McGowan Labor government. That is the great con that has occurred over the last three years. What did we see? As a consequence of that, we saw all the effort that went into health services in regional Western Australia in rebuilding the health system, and the government has been out there opening those facilities—quite rightly; that happens in a transition from one government to the next—but that was built out of the royalties for regions program. I refer to a new hospital in Manjimup, a new hospital in Busselton, upgrades to the hospital in Bunbury, significant upgrades to hospitals in Albany, upgrades to hospitals in Collie, a new upgraded facility in Katanning, a new upgraded facility in Northam, a hospital in Merredin, a new hospital in Karratha, and upgrades to nursing posts. We fundamentally rebuilt the health infrastructure in regional Western Australia. That is what we did when in government. This government said that it supports royalties for regions, and in its first budget, we saw the first little answer to questions about whether members opposite really support it—and the short answer is that they do not.

In subsequent budgets, as the Leader of the Nationals WA has highlighted, the government has washed away \$1.6 billion over the forward estimates. It has put in place a process that in the out years will be pulling, in effect, \$20 million short of half a billion dollars out of the royalties for regions program annually to spend wherever the government chooses, which we know for this government, when it sits in the party room, is centred around metropolitan Perth. Those are the decisions that have been put in place by this government. That is the great con of this term of the McGowan Labor government, and now regional Western Australia is waking up to that.

We put a whole heap of processes into the aged-care sector, to invest and support communities that want to build independent living units. We want to keep people living in their communities. We want to support them with health services. We want to ensure that as they get older in our communities, they do not have to go to one of the big centres or, God forbid, back to metropolitan Perth. Those investments were in place. Half of that was washed away with the cast of a pen in the government’s first budget.

We saw what happens with the regional arts community. A significant portion of the small grants to support having a level of colour and vibrancy in our regional communities, again, has been washed away, so communities now find themselves floundering from one budget cycle to the next to see what they can pull together to be able to hold a certain amount of culture within our regional communities. We see the investments we made in supporting fundamentals, not necessarily in the remit of the Western Australian government—that is, Telstra and in supporting a communications network. There were 340-odd new towers built, with the support of \$105 million of royalties for regions funds. It was fundamental, particularly for the business community, to shifting the activities and culture of the people who live and work in regional Western Australia.

In this term of the McGowan government, we saw what it is truly made of; what it is truly made of is a significant lack of support for regional Western Australia, and, of course, each year, half a billion dollars is coming out of royalties for regions in fundamental substitutions. It is not even trying to tizzy it up in something that might be hidden. The subsidy for the Water Corporation each year is \$300 million. The notion that someone who lives in

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regional Western Australia has to pay the same tariff as someone who lives in metropolitan Perth seems to be some sort of gift from the government rather than a basic right. It is a basic right, in our opinion, that should come from the consolidated fund, but this is coming from royalties for regions as a specific decision, and, seemingly, as some sort of gift from the government. I saw that in operation in Denmark at a public meeting when the Minister for Water came down and kept on referring to what the government was doing to subsidise people's water bills. People should accept what the government is doing, because it is subsidising their water bills! People did not know that that comes from royalties for regions, and all the other things that have been washed away as a consequence of that decision.

We are disappointed in what the McGowan government took to the last election compared with what is really going on on the ground. We know the effort that has gone into laying out an agenda to give, for the first time, some confidence and courage to the people in the regions to pursue some of the objectives that they want to pursue, supported by a fund able to make that happen. Even now, as the Leader of the Nationals said, the SuperTowns project, which the current Premier in opposition said was dead, is reaping rewards for investments that had been made some three or four years ago. We are now seeing business investment occur. I will refer to some of this in my reply to the Premier's Statement when I get on to that tomorrow. We are seeing people move to some of these communities because they have some basic level of service holding people there, particularly health services. We are seeing decisions being made by the broader community to make investments in their own businesses—if they are already established—on the back of some fundamentals, but some of those fundamentals are being whipped away by the government as little amenity issues. What do we do in our own home? We tizzy up the yard and we make sure that the front looks good. We paint the house. We have it looking pretty sharp so that when people come, we are proud that they are there, and we are proud of what we have.

What we have now in regional Western Australia, and the SuperTowns are a good example, is a level of investment—a fair bit has been in amenity; understand that—that has made people proud to be a part of it. They actually want to be there. They want people to come and that is happening, so those investments are starting to play out. It is massively disappointing to see that these substitutions have fundamentally cut regional Western Australia off at the knees. No longer can people have a vision for their communities. No longer can people have the conversations they want to build communities for their kids and grandchildren.

As the Leader of the Nationals said, it was really interesting that the 2018–19 annual report from the Western Australian Regional Development Trust referred to significant contribution of the royalties for regions being put to budget repair. Two conversations that do not go together are, “We support royalties for regions for regional Western Australia” and “Royalties for regions are being used for budget repair.” They do not go together, because budget repair cannot come from royalties for regions unless the government is doing a shifty on it. The government's shifty is that it substituted in the outer years of the forward estimates half a billion dollars a year out of what was, effectively, a billion-dollar program. That is the great con of this term of the McGowan government. That is the con that regional Western Australia has now woken up to. We are seeing spot fires being put out by this government in Collie and Albany, and I am sure Bunbury will come a near third to that. Spot fires are being put out in those areas because they will be little hot spots. But the rest of regional Western Australia has fundamentally missed out. On top of that, I am really disappointed by decisions that are made such as the one we debated today during the suspension of standing orders motion—that is, to fundamentally fund buses for a drive in, drive out service into communities that can support their own workforce. That is fundamentally in breach of regional development thinking. Supporting a drive in, drive out workforce is not good for anyone's mental health. It is not good for our communities, and it is not good for our future.

I absolutely support what the Leader of National Party said here today, and I support this amendment. It is incumbent on this government to demonstrate that the great con of this term is not going to have a long-term impact on regional Western Australia, which I know is absolutely in doubt. What the government took to the last election is in stark contrast to what has been laid out over the three year so far.

**MR P.J. RUNDLE (Roe)** [3.47 pm]: I very much support the Leader of the Nationals WA's amendment to the Premier's Statement —

and this house condemns the Labor government for using royalties for regions to prop up the state's bottom line at the expense of regional Western Australian communities and economies

That is exactly the definition of the royalties for regions fund; it is about promoting and facilitating economic, business and social development throughout regional WA. It underpins a long-term commitment to developing regional areas into strong and vibrant regional communities that are desirable places to live, work and invest. I, too, was once a member of the Western Australian Regional Development Trust, and that is why this one is dear to my heart. It is quite upsetting to me when I see an independent body advising the government and the Minister for Regional Development, on page 7 of its annual report, as follows —

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Since the McGowan Government was elected in 2017, the Fund has made a significant contribution to support the budget repair process ...

That is not the purpose of the royalties for regions fund. The other one that I find quite surprising is on page 14, where it outlines that \$635.9 million in funds was returned to the consolidated account. The people of regional Western Australia are doing a great job of subsidising the state budget and the government's metro-centric projects. I was astounded by the definition of "regional development". That is probably the one thing that upsets me more than anything. The Western Australian Regional Development Trust annual report states —

Regional development is the sustainable economic development of regional Western Australia in collaboration with the metropolitan area.

I cannot believe that we are now seeing the merging of the metropolitan area into the Royalties for Regions Act. I saw the Premier yesterday stand up and talk about the Labor Party being the regional party because it has the most regional members and is doing a great job representing the regions. It is raiding royalties for regions, as both our previous speakers mentioned, for \$1.6 billion. In my maiden speech I talked about the regions, where 22 per cent of the population resides, generating 65 per cent of Western Australia's income. I do not think it is too much to ask for 25 per cent of the state's royalties to be spent in the regions. That is forgotten by the current government.

I would like to point out a few other significant elements. Probably the most disturbing for me over the summer has been the Minister for Water and some of the things he has not done with royalties for regions. The first involves the farm water rebate scheme. I remember driving around the sheep farm on 7 January and listening to the Minister for Water criticising the federal minister for saying that we had lost \$1.35 million in federal money. Why was that? It was because the Minister for Water's department failed to process the applications. It could not get the applications done in time and so the federal government took back the money. The Minister for Water also failed to say that he had withdrawn over \$20 million from the farm water rebate scheme. He got on the ABC's *WA Country Hour* and criticised the federal minister for 10 or 15 minutes for pulling out \$1.35 million, but he failed to mention that he had drawn more than \$20 million from the farm rebate scheme. This is exactly what we are talking about. The farm water rebate scheme was introduced to make sure that farmers and agricultural people improved their infrastructure and catchments to take the load and pressure off the water scheme and to help with pricing. It was quite amazing to me to hear the minister's performance.

The Parliamentary Secretary to the Minister for Agriculture and Food, Hon Darren West, informed us from Newdegate last week that standpipes are a community service. He said, "Don't worry about it too much. They're just a community service. We're doing you a favour. Don't worry about the fact that you're running out of water and we're having to shift water all over the countryside; they're a community service. Don't worry that we've had six or eight fires in the south west of WA." He said that it was too expensive to get water to the regions, so the government would not put any emphasis on it. As I said, 65 per cent of WA's income comes from the regions. What about encouraging farmers to clean up their catchments and take the pressure off our water supply?

A couple of other instances come to mind, one of which is the Katanning Community Resource Centre. There was \$5.8 million sitting there for that hub. The shire was involved and we had spent seven years consulting with the community and the various early childhood departments and so forth. We laid the groundwork and the shire had moved in and set up the site. Then in came the new government and the new Minister for Regional Development. The minister said that she knew all about Challis Community Primary School in Armadale and this is the way we would do it because she knew all about early childhood. Challis might be a good example for Armadale, but we had everything organised, including \$5.8 million, but that funding has disappeared. We do not know where it has gone. The government will probably come back in a couple of years and say that we should have another look at that project. Unfortunately, the momentum has gone and it is very difficult to get back on track the young mothers, the shire and all the people who were involved and ready to go. That was one of the most disappointing elements for me.

I recall Sid Martin from the Wickepin community. The member for Warren-Blackwood spoke about this. We had organised the Wheatbelt South Aged Housing Alliance with independent living units in three, four or five different areas, yet, again, the rug was pulled out from underneath us. I find it quite disappointing that this government has, in a slippery manner, moved that money across to the consolidated account and said that it is doing a fantastic job. Our leader spoke well about this when she referred to the regional education projects. I thought we were doing a fantastic job in that world, but the government made cuts in education to the likes of School of the Air, Moora Residential College, the agricultural trust fund and, the one that upset me, as it did the member for Central Wheatbelt, the boarding away from home allowance. In a lot of cases, many of the families who relied on that did not have a choice of where to send their children. The Premier himself said yesterday that every child in Western Australia deserves a good education, yet what has he done? He has cut the boarding away from home allowance to make it harder for families in outer regional areas. The government also made it harder for children in regional Western Australia to attend VacSwim programs. Children in regional Western Australia are two or three times more likely to drown than

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children in the metropolitan area. The government made it more expensive to go to VacSwim and it pulled out VacSwim classes before Christmas in at least 11 regional communities. It is not adding up to me when the government says that it is looking after the regions.

Finally, fantastic health facilities were established all over the countryside through royalties for regions. As the member for Central Wheatbelt said, the Liberal–National government did not discriminate which electorate or which area it went to. It went to the Kimberley, the Pilbara, the south west, the wheatbelt—you name it. That is another thing that I find upsetting. This government is very focused on its own seats. It is not a problem for members on the coastal fringes of Albany, Bunbury or even in Collie. The member for Bunbury knows all about it. There was money going in Collie during that transition period. Honestly, there is no money flowing to the areas of members who happen to be inland. We are still out there searching for doctors. A chemotherapy unit with four beds has been set up in Narrogin, but it does not have a doctor who can service it. These are the sorts of things the Labor government is dropping the ball on. I could go on about a list of other things, including the lack of indexing the Country Age Pension Fuel Card, the regional age accommodation program, the regional athlete support program and the regional telecommunications project, which remains a constant battle.

My final comment is on the school dental van. The budget for that crosses over into metro funding but, anecdotally, we know that the dental van is no longer going to the smaller schools. The member for Moore is very passionate about that subject. Every member in this chamber would agree that our kids deserve not only a good education, but also access to the school dental van. I will leave it at that.

**MR R.S. LOVE (Moore)** [3.59 pm]: I rise to support the amendment moved by the Leader of the Nationals WA to the question on the Premier's Statement. As we know, even from question time in this house, royalties for regions has fundamentally changed since the days the National Party had guidance of the program. The members for Roe, Warren–Blackwood and Central Wheatbelt outlined a whole range of ways in which that has happened. I think what we have actually witnessed is that royalties for regions has become a regional development tool for those seats that are important to the Labor Party, and only those seats. Collie is very much the focus of royalties for regions and of the state government in general—we hear that time and again in the discussions that go on in this chamber. The member for Roe mentioned the fringe areas of Bunbury, Collie and Albany. Actually, I think Bunbury may be the poor cousin of the other two. With the retirement of the Speaker, the member for Albany, and of the member for Collie–Preston, we expect the focus of the government to be firmly on those two seats. Those regional areas will feel the impact of royalties for regions being spent there, but heaven help Roe, Moore, Warren–Blackwood, Central Wheatbelt or any other seat in which royalties for regions has been pulled from a whole range of programs.

We have spoken about the independent living units program, which was ready to go. In some cases, it had got to the stage of contractors being engaged in readiness for sites to be prepared and building to get underway, but those programs were pulled straightaway. Tens and tens of millions of dollars was taken out of my electorate alone. The plans of many families for their aged parents were disrupted and thrown into turmoil, with questions about what would happen in local areas. In the central coast area on the fringe of Perth, where there are no health services to speak of or very limited health services in many cases, there was a very good state government initiative termed the Turquoise Coast Health Initiative. That was pulled; \$20-odd million is gone. Dongara is a town in turmoil. There are no doctors in the town, apart from a locum employed by the shire. A program was announced years ago for the refit of the health centre, but nothing has happened. This term of government will end before the Dongara health centre gets underway, such is the commitment of this government to health services in my electorate. People in Leeman and Green Head cannot even access a nurse practitioner to write out prescriptions for repeat medications. There is no doctor available. For a doctor's appointment, they have to travel to another town that already has a shortage of doctors. We heard about the problems with the emergency centre at Geraldton Health Campus, but the fundamental problem lying behind that is the huge shortage of practitioners in Geraldton. Incentive programs in place under the Southern Inland Health Initiative have not kept pace with the times and have not been able to help communities find medical help or doctors in the way that was envisaged.

I thought I asked a quite reasonable question in question time today, but it was ruled out of order. I asked whether the Premier felt that redirecting over a billion dollars of royalties for regions to pay for household water supplies in regional areas met the requirements of section 9 of the Royalties for Regions Act. Instead of saying, "Yes, I am confident", the Premier chose to hide behind a decision that the question was seeking a legal opinion. We could take the same view on any minister expending any money in their portfolio. They all have to have a head of power to make that expenditure. For instance, is the Premier confident that the Minister for Emergency Services has the power to sign a contract to put new fire facilities in place somewhere? Obviously, he is, but he refused to say whether he felt the expenditure his government had been making in the subsidy to the Water Corporation did in fact meet the requirements of the Royalties for Regions Act. I find it absolutely astounding that he was not prepared to say yes to that. Is he actually checking to see whether that is the case or is he going to leave it at that? He did not have to answer the question because it was asking for a legal opinion. It is absolutely imperative that the

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Premier says that he believes that his government is acting in accordance with the Royalties for Regions Act. I think people in Western Australia would be quite interested in the answer to that. I think people in regional Western Australia would be more than slightly interested in that answer. It is disgraceful that the Premier could not say with certainty that the way he, the Treasurer and the Minister for Regional Development are handling the royalties for regions portfolio is in accordance with the law. How amazing! It is not a very difficult question. It is a yes or no answer. If he does not believe they are acting in accordance with the law, why are they doing it? If the Premier believes they are acting in accordance with the law, surely he could just say yes. I thought we had parliamentary privilege here anyway, so what he says cannot be held against him anywhere, except in the court of public opinion. In the court of public opinion, I believe that the answer has been given; that is, he does not have confidence that what he is doing is in accordance with the Royalties for Regions Act. He perhaps has not even read the act. That would be even worse.

We know that the royalties for regions program is now paying for community service obligations, which in the past were met by consolidated revenue. Western Australians have a right to safe drinking water and to access it at a price that is considered to be standard around the state. That has never been contested before. All of a sudden we find that that is contingent upon the miners making some royalty payments, which are then paid to the Water Corporation. What if something happens to royalties for regions? What if there is a sudden decrease in the royalty flow? Does that mean that the water system in Western Australia will shut down? I doubt it. I do not think it is contingent upon the royalties—it never has been—yet that is considered to be an appropriate use of money that was meant to be spent on regional development. It is not being spent on regional development at all; it is being spent on the ordinary business of government. The Premier knows this, which is why I believe he chose to not answer my question directly in Parliament today. For that reason, as much as any other, I think the house should support the amendment moved by the Leader of the Nationals WA.

**MR D.T. PUNCH (Bunbury)** [4.07 pm]: I rise to speak on this amendment to the question on the Premier's Statement. It is a very interesting proposition that royalties for regions, which essentially is taxpayer money, is being used to prop up the state's bottom line at the expense of regional Western Australian communities and economies. We know that the state's bottom line was absolutely wrecked by 2017, with out-of-control government operating expenditure and debt forecast to blow out by a further \$7 billion or so to around \$41 billion. If that does not affect every household in Western Australia, regardless of whether they live in the regions or the metropolitan area, I am not sure what would. This issue was long recognised by the previous Liberal–National government. I was very interested to hear the member for Warren–Blackwood's comments to the effect that one cannot get budget repair unless one is doing a shifty on it. That seems a bit of an odd comment.

Back in May 2013, I was at a presentation in Margaret River on the upcoming budget for 2013–14. A section of the budget was of great interest to people in regional WA and was subsequently reported in the 2012–13 annual report of the Regional Development Trust. I want to read what the Regional Development Trust said at that time. The member for Warren–Blackwood, as the then minister, was presenting the forthcoming budget and highlighted this. The annual report of the Regional Development Trust states under the heading “Cost shifting and Royalties for Regions funding of administration” —

The Minister advised the Trust that the new DRD, RDCo and the RDCs will be entirely funded by Royalties for Regions from 1 July 2013. RDL is presently funded from both the Consolidated Account and Royalties for Regions. This general administration contribution from Royalties for Regions is distinct from the fee third parties —

Many of which are government agencies —

are paid as an administration cost component in Royalties for Regions project —

**Mr D.T. Redman:** Read the objects of the act, member for Bunbury.

**Mr D.T. PUNCH:** I am reading from the report about the administration fees on administration fees. Not only is the trust calling into question this decision to fund central agencies that were funded from consolidated revenue from the royalties for regions account, but also it is starting to apply an admin fee on an admin fee. The Western Australian Regional Development Trust, the very body set up by the National Party, is blowing the whistle on cost shifting.

I remember the budget presentation, because the rationale for this, as was presented at the time, was the state's growing difficulty with contraction of revenues, maintenance of government programs and the growing deficit. Clearly, the link in 2013 was about cost shifting to address budget repair. I guess a shiftiness might have started on 1 July 2013, when the department started being funded through royalties for regions. I quite remember it at the time, because the most enormous funding agreements came from the department as a central agency to the regional

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development commissions. These independent statutory bodies were now grant recipients. They now had to complete these funding agreements and equip them, on top of the normal administration of regional development.

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

**The ACTING SPEAKER:** Member for Warren–Blackwood!

**Mr D.T. PUNCH:** Regional development suddenly became this very complex administrative quagmire, as the former Liberal–National government tried to extract itself from the budgetary problems it was facing. It had quite a few years before it lost office in 2017 to try to address the issues, but of course that was not the case, because the growing deficit emerged as a very major problem that this government has to clean up.

I want to carry on with the Regional Development Trust report. It further commented —

The dropping of the State’s Consolidated Account contribution to DRD, RDCo and the RDCs and its uptake by Royalties for Regions represents a direct cost shift to Royalties for Regions. It means Royalties for Regions will have less money to spend on regional development and will spend more on administration than it otherwise would.

There is the material risk that the administration fee charge could grow as a proportion of the Royalties for Regions Fund.

I am sure that if I put the effort in, did the research and had a look at all the funding agreements, I would find a pretty significant growth in the administrative charge as more and more central agencies found that their consolidated funding was contracting as the government tried to impose cost cutting back in the day. The report continues —

There is a grave risk that this precedent (if allowed to stand) —

The trust was questioning whether it should be allowed to stand —

could be used in future budgets and governments to justify further Royalties for Regions administration funding for core government activity in the regions by major agencies such as health, education or transport.

The Trust advised the Minister that it does not support this budgetary measure because it is a direct cost shift to Royalties for Regions.

... Other budget items may well merit a mention, but of those the Trust was briefed on, Royalties for Regions funding of the Greenough River Bridge repairs could be considered the Department of Transport’s core business, and Royalties for Regions taking over funding for the multi-million Remote Area Housing program is another ...

The membership of the trust at that point in time is very interesting. The member for Roe had been appointed as a member in 2011. He had contributed to the formulation of the trust’s advice to the minister. In May 2013, the member for Roe, in the annual report, was clearly saying that the then government was cost shifting, and this was a grave risk to royalties for regions.

**Mr M.P. Murray:** No!

**Mr D.T. PUNCH:** Absolutely, member for Collie–Preston. This was when, I think, in the order of \$1 billion was going into Pilbara Cities. How much was going into the south west per capita at that time? Somewhere around \$3 000.

Royalties for regions has a chequered history. It first started out in 2008 with a rush to get grants out to the regions. It was very appropriate and I was very pleased to see that. But after that first round of grants, it was realised that a lot of the grants were not leading to fundamental economic change. They were not going into the infrastructure projects that the state so badly needed. Then the Liberal–National government changed the rules and said, “We’re not going to do this on a region-by-region basis. We’re going to ask regional Western Australia what we should spend the money on, and we’ll leave it to the Regional Development Council to make the recommendations to government and decide how that money should be allocated.” I do not quite know how many projects came into that grant round. I do not think the guidelines were particularly embracing of defining the outcomes that were to be achieved, but I know that the Regional Development Council spent something like two years trying to decide between projects that were very important for a local community, and potentially for a local member responsible for that community, as opposed to some of the larger scale projects.

Some interesting projects were funded out of that round. I can remember \$660 000 going to a feasibility study for a country music centre at Boyup Brook. We know that Boyup Brook is the home of country music, and is a great community. It is one of those communities that has been able to grasp the nettle and do things for the town to make it an interesting town and to build on that country music representation. But quite a number of

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local people back in the day questioned the \$660 000 or so—it was about that amount; I am going off memory—for a study that had a question mark about what could be achieved out of that for Boyup Brook. It cost a lot of money to do that.

We know that when the Langoullant report delved into some of these projects, it found quite a few difficulties in the business cases. We went from the Regional Development Council, which had its problems in how to administer this amount of money, to a program base. That is when things such as SuperTowns and some of the other programs surfaced, which, I accept, have achieved good outcomes. I am pretty sure that I can recall that at least one town in the SuperTowns programs came into the program after the assessments were completed. It was not in the initial assessments, so there are some questions about where this whole motion of pork-barrelling came from, which the National Party at a federal level have taken to a new art form. I am sure that they may well have been learning from some of their colleagues in Western Australia over the last few years. Then some very interesting funds just disappeared, such as the local government infrastructure fund. Local governments started to work together and identify local government infrastructure priorities. They started to develop forward plans, and in doing that they achieved some of the negotiated outcomes that the National Party was very keen to see at that time. Things such as putting the money into one local government area one year, on the basis that those local governments, as a group, would fund some infrastructure in the adjacent government area in the next year. That was great until the rug was pulled out and a whole suite of local governments across regional Western Australia were left with projects that they could not complete, or left with projects that they had on their books and could not advance because they had agreed to support another local government in the earlier round, anticipating that the money would flow through in forthcoming budgets. That was a real breach of trust to local governments of regional Western Australia, and I know that many of the local governments in my area took a long time to overcome that. I am sure that the member for Roe, in his capacity as chair of the Great Southern Development Commission, heard from many local governments in his area at that time. Those are the sort of flip-floppy changes that occurred, because when the Liberal–National government surprised itself and found itself in government and had negotiated royalties for regions, it produced an act that is such a slimline act in how to govern the royalties for regions program. When it found itself in office, it did not have a clue how to administer it. There was no framework. That was not resolved until 2013. It occurred right the way through the royalties for regions program of the Liberal–National government.

**Mr Z.R.F. Kirkup** interjected.

**Mr D.T. PUNCH:** The member for Dawesville would not know!

**Mr Z.R.F. Kirkup** interjected.

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

**Mr D.T. PUNCH:** I would not say too much, member for Dawesville. I would just keep quiet.

**Mr Z.R.F. Kirkup** interjected.

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

**Mr D.T. PUNCH:** Mr Acting Speaker, I seek your protection from the noisy rabble on the other side of the chamber.

**The ACTING SPEAKER:** You certainly can.

**Mr D.T. PUNCH:** I have noticed that the Nationals WA members have kept very quiet during this particular contribution. I want to return to the last iteration of royalties for regions that I was involved with, which was of course the Growing our South fund. We know that the Liberal side of the previous Liberal–National government was not impressed with royalties for regions and that at one stage there was a great deal of tension between the two sides in terms of the administration, because all the ministers who had central agency portfolios were constrained by cost-cutting and budget restraints, except for royalties for regions, and the only surplus cash in the state budget was in the royalties for regions fund. That is why we saw a gradual drift towards putting paid employees into the Department of Agriculture and Food and funding other agencies out of royalties for regions hidden behind grants and fluffy money in essence.

I want to come back to the Growing our South fund. I was very pleased when the Liberal–National government announced this fund, because we could see all those northern regional areas—the Gascoyne, Kimberley and Pilbara—getting their own regional development fund in the order of \$150 million. The Pilbara certainly benefited from the Pilbara Cities project. There was growing angst in the south about royalties for regions contributions in the south. I remember standing at a community meeting on the Koombana Bay foreshore and hearing the then leader of the National Party, Hon Brendon Grylls, saying, “No money is going to come down here; not when I am looking at the issues I’m confronting in the Pilbara.” He did not confess at that time that

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he had his eye on the seat of Pilbara in the future. He did not actually disclose that. But we know that the development commissions and communities in the southern areas were all talking about the need to put money into the south.

**Mr Z.R.F. Kirkup** interjected.

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

**Mr D.T. PUNCH:** Interestingly, in the south —

**Mr Z.R.F. Kirkup** interjected.

**The ACTING SPEAKER (Mr S.J. Price):** Member for Dawesville, I call you for the first time.

**Mr D.T. PUNCH:** Thank you, Mr Acting Speaker. The member does not like the truth, does he? He does not like to be confronted with the reality of it.

I keep getting waylaid when I try to talk about the Growing our South fund. There must be a reason for it, but I am going to come to it. Growing our South was the first opportunity for the development commissions in the south to have a bite at the cherry—to get in there and have a good go. We certainly had some projects that we were going to have a good crack at. But the rider on the whole thing was that unlike the other development commissions in regional Western Australia, where the boards of the regional development commissions could make decisions, we had to compete with one another. It pitted the wheatbelt against the great southern, the Peel and the south west. That added a whole new layer of competition and administration without any definition of the outcomes that were to be achieved. I know that in the south west we did pretty well out of that fund. Some good projects were funded because we were ready to run with it. We were getting the projects funded at the expense of other regions in WA. The biggest travesty of royalties for regions was that it set local governments against local governments, regions against regions, and local communities against local communities. That happened because there was no strategic outcomes-based framework to manage royalties for regions in a way that could build collaboration effectively across regional WA. That was the great loss of royalties for regions.

This government has taken a different tack with royalties for regions. The act, the Regional Development Council and the Regional Development Trust are still there, but we have put royalties for regions into core regional infrastructure. I know that in the past members opposite have complained that we are putting money into regional roads, but I know that if I go back through the previous government's budget estimates, I will find plenty of evidence of regional road funding. I know the rationale for the Margaret River Perimeter Road, because I helped to design it around being a tourist route, but it was fundamentally a ring-road for Margaret River, and royalties for regions funded that. So when members opposite complain that we are putting money into the safety of regional communities, the efficiency of regional businesses' transport tasks and supporting regional communities directly with infrastructure that will take them into the future, they should hang their heads in shame, because those are important ingredients in building a future for regional WA.

**Mr R.S. Love** interjected.

**The ACTING SPEAKER:** Member for Moore, I call you for the first time.

**Mr R.S. Love** interjected.

**The ACTING SPEAKER:** Member for Moore, I call you for the second time. Actually, that is the third time, member for Moore.

**Mr D.T. PUNCH:** Three times—the member for Moore does not like the truth.

Royalties for regions has a chequered history, and this motion depresses me, because I thought better of members opposite. The member for Roe, as a member of the Regional Development Trust at the time, called out the National Party, and that demonstrates the hypocrisy of the National Party today. I do not think members opposite can go back to their constituents and challenge the way that we are managing royalties for regions when the Regional Development Trust and the member for Roe quite clearly said that there is a grave risk to royalties for regions. On 1 July 2013, the National Party destroyed the spirit of royalties for regions, and it should be ashamed.

**MR B.S. WYATT (Victoria Park — Treasurer)** [4.26 pm]: I rise to make some comments on the amendment to the Premier's Statement as well. I note that a Liberal Party member has not spoken to this amendment, and I will make some comments about that in just a minute.

I was a member of this chamber when the royalties for regions legislation came through the Parliament. From memory, not one MP voted against it. Every MP supported the passage of the royalties for regions legislation, and I assume, with the movement of the member for Riverton to the backbench, it still has the Liberal Party's



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support. The Liberal Party's most recent position was to oppose royalties for regions, but I assume that has changed now, and that royalties for regions has bipartisan support generally. Of course, like there is in government, from time to time there will be different spends, as there is in the budget. There are things that the Liberal and National Parties might like to see money spent on and things that the Labor government will spend money on. From what I can gather, the crux of the Leader of the National WA's argument is that, standing still, \$1.6 billion needs to be transferred from royalties for regions to the consolidated account. That is the crux of the argument.

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

**Mr B.S. WYATT:** I am just trying to understand. Is the crux of the argument made by the National Party that, standing still, all things being equal, \$1.6 billion of spend in RforR needs to be transferred to the consolidated account?

**Ms M.J. Davies:** That is the cost shift for water, CSOs and the school buses.

**Mr B.S. WYATT:** Okay. So that is the position of the National Party. I understand the argument being raised. I do not mean this disrespectfully, I think the Leader of the National Party is a very effective MP, but the reality is that she may have that position, but it is irrelevant unless the Liberal Party has that position too. I remember in the lead-up to the 2017 election, on 8 March, just two days before the 2017 election, Mr Barnett and the Liberal Party announced that they would shift from the consolidated account to royalties for regions some \$800 million over two years; that is, presumably, \$1.6 billion over four years. When that was put to the then Premier Colin Barnett, he is reported as saying —

... the Liberals would “set the agenda” ...

“Because we are the Liberal Government, and if we are elected, we will form government,”

That was not particularly respectful of the National Party's position, saying that the National Party would have to like it or lump it.

That is a point I make. The Nationals WA can say that it will transfer \$1.6 billion from royalties for regions to the consolidated account, but, without being mean, it is hot air unless the member for Scarborough also supports that position. That is the key. I think we know that.

**Mr R.S. Love** interjected.

**Mr B.S. WYATT:** No, of course it would, because the National Party will form government with the Liberal Party regardless, and until the Liberal Party confirms that that is the position of the Liberal Party, the National Party's articulation of this argument is hot air. I think we understand that. Colin Barnett made that clear. When the exact same thing was said by Brendon Grylls in 2017, Colin Barnett said that the Liberal Party sets the agenda; it will be the Liberal government and the National Party will form government with it regardless. That is the reality. I am not trying to be mean; that is the reality. The National Party commitments around the \$1.6 billion are irrelevant unless the Liberal Party supports it. I suspect that is why the amendment put by the Leader of the National Party is general and does not say, “and calls on the Labor government to transfer \$1.6 billion in spend from royalties for regions to the consolidated account”, because the Liberal Party would be voting to oppose that.

**Ms M.J. Davies** interjected.

**Mr B.S. WYATT:** I think that is exactly right, because the National Party needs the Liberal Party on board before this can happen. Other than that, it is nothing but hot air, and we know that. The member for Bunbury outlined this very well. I am not going to go through and list off the millions of things that we spend through royalties for regions. I know that members opposite objected to the Langoulant report, but the reality is that the Langoulant report highlighted how so much of the royalties for regions money, which, as I said, I think is pretty much supported by every member of Parliament, was misused by the National Party. I have quoted it; I do not have it here. My dog-eared copy of the Langoulant report is downstairs in my office. There was that wonderful quote from the CEO of the City of Kalgoorlie-Boulder, who said that they did not need the money and they did not want the money; they just got it because they were shoving money out the door. That was confirmed again—I want to put this on the record—in an ABC online piece that was published in the lead-up to the 2017 election. The headline reads, “Has the Royalties for Regions program been money well spent?” I want to quote a couple of prominent people in regional WA. This is a quote, and I will give it to Hansard —

Roger Higgins, the president of the Port Hedland Ratepayers Association, argues not all of it was.

He goes on to make the point that in hindsight, it probably would have been better to change how they did it, because it became very difficult to maintain. That was a point made by the member for Bunbury about what they

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ended up doing, and we are seeing that now. The consequences are live now. As assets get old, local government does not have the capacity to manage and maintain these facilities. Mr Higgins is reported as saying —

“It can become in many cases like a Trojan horse—appears great on the outside but when you get into it and have to maintain it the cost to the community and the ratepayers is way beyond what is reasonable,” he said.

Arnold Carter from the Port Hedland Chamber of Commerce agreed.

“Yes we got some lovely buildings out of it, but they were also, you know, liabilities back to us as a shire ... and that would never have happened if we hadn't have been caught up with some of the programs that were given by Royalties for Regions,” he said.

“In those early days of the Royalties for Regions almost anything that you thought would come up as an idea people took that opportunity, or councils took that opportunity to say ha, this is it, we're going to get some money.”

Similar comments were made by local real estate agent Morag Lowe and others as the story goes on. The point I make and the point that was made by the Langoulant report and the member for Bunbury is not about that principle of royalties for regions, because nobody is proposing to change the act, as far as I am aware, but the fact that it was abused by the National Party in such a dramatic way. That has been highlighted by the Langoulant report and by comments made in those pieces, and, indeed, it was confirmed very recently in an interview with the member for Riverton when he announced that he will not stand at the next election. On 3 December 2019, the member for Riverton went on ABC radio, interviewed by Geoff Hutchison, and he made this point. Again, I am quoting. Mr Hutchison put to the member for Riverton —

... I can ask ... do you rather wish Colin and your predecessor Troy, hadn't been willing to spend so much money?

MIKE NAHAN

Of course I do, of course. And it wasn't just them, it was the National Party also. Our deal with them was unsustainable, economically unsustainable.

The point I make is that what the Leader of the Opposition says about a future Liberal–National government is not actually relevant; it is what the member for Scarborough says about what the Liberal Party will do around something that a former Liberal Treasurer says was “unsustainable, economically unsustainable”. That was highlighted in the Langoulant report and in a range of different articles online.

The point is around the priorities. I get that the National Party will complain that we are not spending money on X, and we will say we are spending money on Y. Those disputes happen regardless of how things are or are not funded. For example, we in the Labor Party are of the view that regional roads are important to fund. The National Party, and Mr Grylls in particular, was of the view that that was not an important funding priority. We have a different view. We are funding record numbers of roads in regional Western Australia. I think that is important, and it is something that all shires support.

Before I got to my feet, the member for Collie–Preston reminded me of the fact that—let us be honest—it was utilised under the National Party very much for north of Perth areas, let us say, member for Collie–Preston, and we went back to look at some of those notes. Prior to the election, the spend per capita in the Pilbara where Mr Grylls was standing was about \$25 000, and the spend per capita in Peel was just over \$1 000, making the point that it was utilised, I think, in many respects for good reasons—things that we all support around ensuring that regional communities have the opportunity to invest in their communities. As the member for Bunbury pointed out, not much focus was made around ensuring that the investment was for ongoing, economically sustainable assets or programs to encourage and support ongoing jobs.

I agree with the Leader of the National Party, who made the point that it did also in some places—not all—stimulate co-investment from the commonwealth, and in some places co-investment from the private sector. Those are the sorts of things that we continue to invest in and support, but we do not support the things that were identified by Mike Nahan in his comments that I quoted just a minute ago and, as the Langoulant report highlighted, the fact that so much money was misspent. When we went into a scenario in which we were running enormous operating deficits and debt was steaming through the roof, there was never a consequence that the National Party wanted to admit, so in the end it looked for another source to continue to spend. We recall the debate during that election campaign on that very large mining tax that the National Party articulated and on which it was rejected handsomely.

I want to emphasise this point. Until the Leader of the Opposition or my friend sitting at the back there, the member for Bateman, comes in and says, “We support the National Party in transferring \$1.6 billion from

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royalties for regions to the consolidated account”, this is always a hypothetical, interesting, hot air exercise. That is all it is, because ultimately we do not get the right to have two different governments with two different budgets. That happened under the former government. It worked for a while and we saw what happened. We have spent a lot of time and a lot of effort ensuring that the state comes out of that. I say “the state”. Regardless of where someone lives in Western Australia, we are all responsible for the covering of that debt and deficits and ensuring that the finances for every Western Australian are back on track, and we are. But we are committed to royalties for regions, as we always have been. This is a debate that has been happening certainly since I have been in Parliament. Before royalties for regions, there was debate around the principle of reserving a percentage of royalties for regional Western Australia. That became royalties for regions. We are committed to it, as I said. The Liberal Party has not articulated its position since it changed leaders, so its current position is to oppose it, as set by the member for Riverton when he was leader of the Liberal Party.

We will, I suspect, continue to have disputes over what is funded and what is not, because that is the story of the budget. At every budget, we fund a lot and at every budget round members opposite all get up and say that we did not fund enough—and the game goes on. I think that people in regional Western Australia understand that the Liberal Party in 2017 had announced that it was going to transfer \$800 million from the consolidated account to royalties for regions. It made that point very clear two days before the state election. Indeed, I remind everybody that the 2012–13 budget transferred \$535 million under the then National Party leadership. I cannot remember who was the leader at the time, but under their leadership, the 2012–13 budget transferred \$535 million from the consolidated account into royalties for regions.

We will have these disputes, I suspect, because the Nationals are trying to grab some attention in regional WA, but I think that the investment we have made into regional Western Australia is there for all to see, and a lot of that has been through the normal processes of government and quite separate from royalties for regions. I think our regional members are very happy with how we are investing, particularly in regional roads. It has probably been the most significant investment in regional roads in history, but certainly in the last 20 years. That certainly did not happen when Mr Grylls was running the show in the National Party, because he objected to spending on regional roads. I think that has been one of the great successes of this government. Of course, we oppose the amendment proposed by the Leader of the Nationals WA. I make this point again: until the Liberal Party also confirms the position of the Nationals, this is all just an interesting exercise in hot air and I suspect we will continue to have this debate over the course of this year.

*Division*

Amendment put and a division taken, the Acting Speaker (Mr S.J. Price) casting his vote with the noes, with the following result —

Ayes (17)

Mr V.A. Catania	Mr Z.R.F. Kirkup	Mr J.E. McGrath	Mr P.J. Rundle
Ms M.J. Davies	Mr A. Krsticevic	Ms L. Mettam	Mrs A.K. Hayden ( <i>Teller</i> )
Mrs L.M. Harvey	Mr S.K. L'Estrange	Mr D.C. Nalder	
Dr D.J. Honey	Mr R.S. Love	Mr K.M. O'Donnell	
Mr P.A. Katsambanis	Mr W.R. Marmion	Mr D.T. Redman	

Noes (36)

Ms L.L. Baker	Mr M. Hughes	Mr P. Papalia	Ms J.J. Shaw
Dr A.D. Buti	Mr W.J. Johnston	Mr S.J. Price	Mrs J.M.C. Stojkovski
Mr J.N. Carey	Mr D.J. Kelly	Mr D.T. Punch	Mr C.J. Tallentire
Mrs R.M.J. Clarke	Mr F.M. Logan	Mr J.R. Quigley	Mr D.A. Templeman
Mr R.H. Cook	Mr M. McGowan	Ms M.M. Quirk	Mr P.C. Tinley
Ms J. Farrer	Ms S.F. McGurk	Mrs M.H. Roberts	Mr R.R. Whitby
Mr M.J. Folkard	Mr S.A. Millman	Ms C.M. Rowe	Ms S.E. Winton
Ms J.M. Freeman	Mr M.P. Murray	Ms R. Saffioti	Mr B.S. Wyatt
Mr T.J. Healy	Mrs L.M. O'Malley	Ms A. Sanderson	Mr D.R. Michael ( <i>Teller</i> )

Pairs

Mr I.C. Blayney	Mr K.J.J. Michel
Dr M.D. Nahan	Ms E.L. Hamilton

Amendment thus negated.

*Consideration Resumed*

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Mr Terry Redman; Mr Peter Rundle; Mr Shane Love; Mr Donald Punch; Mr Ben Wyatt; Mr John McGrath; Ms Libby Mettam; Mr Sean L'Estrange; Ms Lisa Baker

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**MR J.E. McGRATH (South Perth)** [4.45 pm]: As a prelude to my address today, I would like to remind the house that this will be the last time that I make an address-in-reply to the Premier's Statement. Who knows? I might miss it. This afternoon I want to take advantage of the opportunity to speak about my electorate and the portfolios that I still hold at the moment. How long I hold those portfolios for will depend on what happens in the run-up to the next election. I think it is probably wise for somebody else to take over my portfolios so that they can become used to the great portfolios of sport and recreation, and racing and gaming, but I will talk to the Leader of the Opposition.

**Mr S.K. L'Estrange** interjected.

**Mr J.E. McGRATH:** The member for Churchlands says that there will be no shortage of volunteers.

Firstly, I want to talk about South Perth. I have been the member for South Perth for 15 years now. I think my electorate is beginning to make great strides as it readies itself for changing times. The change I am seeing now in South Perth with new developments, increased density and high-rises on Mill Point Road is probably the greatest change that the electorate of South Perth has experienced in 60 years. The last time we saw change like this was when the Narrows Bridge was built and opened in 1959, which led to a rash of developments. Old single-storey residences were knocked down and replaced by taller buildings and blocks of flats and apartments. Recently, the Minister for Planning approved two towers that comprise Civic Heart. It is a development at the corner of Mill Point Road and Mends Street in South Perth, which is a precinct that most members would know, especially the Treasurer, who has been seen at the Windsor Hotel from time to time. It is a very popular meeting place. Others meet at Coco's. The Minister for Planning called in this development, which created some controversy. I do not oppose the minister's decision. I believe that something had to be done because this development had been sitting there since Finbar successfully tendered to buy the site in 2014. That was six years ago. However, the history of the site probably goes back 10 or 12 years.

**Mr B.S. Wyatt:** And that site had been slowly aggregated by the council for a long time.

**Mr J.E. McGRATH:** Yes. The buildings were falling down and in a state of disrepair, so a long time ago the council decided to buy the privately owned buildings. On one corner sits the post office owned by Australia Post. Back then the City of South Perth tried to buy the post office but was unsuccessful. On the other corner sits the old South Perth police station, which the City of South Perth tried to keep going as a smaller station for local residents when everything was moved to Kensington Police Station, but that is no longer the case. In the end, the City of South Perth owned a couple of buildings used by the South Perth Learning Centre and a child-minding group or kindergarten. The city realised that it was costing money. It was a site that would potentially make a great entry statement to our city for people who drive across the Narrows Bridge and come to the Mill Point Road–Labouchere Road junction. The city could not aggregate all eight lots, so it sold them separately but in one action. They were put out to tender and in 2014 Finbar successfully tendered the site in a joint venture. Finbar has already built a couple of apartments in South Perth—Reva and Aurelia, a 20-storey development opposite this particular site. That was the start of this process but over the years there have been some problems.

When Finbar was building Aurelia, it wanted to go underground with a five-storey car park. This impacted the watertable and other car parks in the area flooded and the trees started dying. It was quite a serious issue back then. As a result, there were some doubts about what Finbar could do with the Civic Heart development because the original plan was to have five storeys of underground parking. At the same time, Finbar was selling off the plan. Due to the planning uncertainty and concerns raised by the residents of Mill Point peninsula about where this might all end with the watertable rising and the problems with flooding, Finbar found it difficult to sell the apartments off the plan so it pulled back. Without knowing the actual specifics and the time line, I believe that Finbar then went to the city and said that it wanted to develop the land. The city had sold the land on the condition that whoever tendered for the land would develop an entry statement for the city. When things became a bit difficult and there was a bit of turmoil and public opposition, Finbar went back to the city with a scaled-back version of the plan to keep everyone happy. The city said no to that plan. It had to be an entry statement to the City of South Perth because it sits right across the river from the CBD and is an iconic and historic area. Finbar then had to go away and come up with a new plan. The new plan was approved by the City of South Perth. Finbar had worked closely with the city and its design advisory panel to come up with a design. The City of South Perth ticked off on the design and supported it. Finbar then went to the joint development assessment panel and for some reason JDAP called in the Government Architect whose view was that the design was not as excellent as it should have been. That placed this ongoing development saga into limbo again. Finbar appealed to the State Administrative Tribunal and that was when the minister said that we cannot wait around forever for this development to be done. Finbar had invested a lot of money in the project and the City of South Perth had supported it in good faith. The minister called it in and then only about a week ago made the decision to approve the development.

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The development is going ahead. The minister has called for some modifications—I think they include a green wall or something like that—to improve the design and to meet with some of the things highlighted by the Government Architect. I believe that construction could start before the end of the year. It has been a long time coming. There are still people in my electorate who are concerned about more cars in the area; I respect their views. I have always had the belief that traffic finds a level in a lot of places. Many people who might be used to driving through South Perth are not from South Perth. They are probably coming from the electorate of the member for Victoria Park. He probably slips down Mill Point Road on his way into the city. But it is up to Main Roads Western Australia to look at these things. If there is congestion along Mill Point Road and Labouchere Road, it will only be during peak periods. I drive down those roads all the time and during the day I can be here in three or four minutes. Main Roads can look at those things.

I am aware that there is a plan—who knows what will happen, it will be up to whoever is in government at the time—to extend Berwick Street to the Swan River and to build a tunnel under the river so that people from out that way, such as the member for Victoria Park's constituents, can whiz down through the tunnel and into the city or drive on to the western suburbs and come up into West Perth. That would be a fantastic thing and very welcomed by the people of South Perth because it would take a lot of that traffic heading into the city away from the City of South Perth. Who knows when that will happen or if it will ever happen, but we have to look at traffic management in and around South Perth in the future. I am aware that the minister has also mentioned that that is a need.

**Mr P.J. Rundle:** Member for South Perth, I have seen no sign of anything to do with traffic management. The Treasurer is going to be backed up to the causeway on his way to work each day.

**Mr J.E. McGRATH:** He can maybe stay at the member's place for a couple of hours on the way through.

**Mr P.J. Rundle:** He might have to have breakfast on the way through.

**Mr J.E. McGRATH:** The member for Roe is also a resident in South Perth, like a lot of members of Parliament who have had a place in South Perth.

This winds of change will carry a new generation of residents and visitors to the South Perth electorate and times will change. New residents bring new ideas and energy. New visitors seek up-market and niche attractions and business opportunities will flourish for those who wish to provide them. We are already seeing that happen in Mends Street where a new Quest apartment has been built. People are now coming across the river on the ferry from Elizabeth Quay to Mends Street because it has been revitalised. This new development will see more people living and working in the precinct. However, on this breeze of change will be the expectations of long-term residents, whom I have spoken about, and newcomers alike and we have to cater for all those people. Young people will also move into South Perth. Young people like to live in apartments. South Perth must remain, as it historically has been, a functional and delightful place in which to live—we all know that. What happens on Mill Point peninsula will not impact the jacaranda trees in the beautiful leafy streets of South Perth. They will not be affected by greater density or by high-rise developments, which is ideal planning. Those streets will be left alone in South Perth so that it retains its beautiful functionality. While business is expected to do its part to attract and service a community, it is up to government to keep up with the pace by providing the infrastructure necessary to maintain a functional way of life. Having said that, I was gratified to hear the Minister for Planning also mention in her press conference the other day about Civic Heart the need for a railway station in South Perth. I would like to think that the minister is warming to this because it is a project that I have supported since I was elected. The proposed station on the Mandurah line will be built on land that has been set aside on the freeway.

In opposition, when I was first elected, I hounded the then Minister for Planning and Infrastructure for a train station at South Perth. I said, "You are building a train line from the city to Mandurah and you are bypassing South Perth." I badgered her so much—hopefully, it was partly my doing, but I also know that the City of South Perth was very keen for some action—that Minister MacTiernan agreed, and the railway line on the freeway was widened to allow for a footprint for a station. It is all there ready to go. I believe that the City of South Perth has put forward some kind of business case to the department or the minister that could provide for a public-private partnership that would see the station delivered as part of a broader strategy. I think that is something that we have to look at. It happens in other parts of the world. There could be a public-private partnership, so the taxpayer would not even pay for a new station.

Around 750 000 people visit Perth Zoo each year. I know that it has always been a great thing for families to travel to the Zoo on the ferry, but people do not have the time that they used to when I was a young kid. A lady from Rockingham wrote a letter to the editor and said, "I took my two children to the Zoo. I had to go all the way to Perth on the train, walk across to the ferry, catch the ferry across to Mends Street, walk around all the way to the Zoo, cart them around for three hours at the Zoo and then take them home and go all the way back over on the ferry."

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If there were a train station at Richardson Park, she would have had a 200-metre walk. Therefore, I think that it is something that we should have a look at.

I also think that the area between Richardson Park and the on-ramp to the freeway at the end of Labouchere Road will one day be like West Perth. It will one day be a commercial-residential development. A lot of people will come into South Perth to work in that precinct. Why would they not come by train? At least we would be getting people out of their cars. Why would someone drive their car to South Perth and battle to find a parking spot when they could jump on a train and walk to work? I think that is the future, and it is a big challenge for us, as parliamentarians, to convince people to get out of their cars, but I think it is the way of the future. It has to happen, but it will only happen if we build the infrastructure to make public transport easier for people.

The other project that has been a long time coming and that I advocated for from when I was first elected is the on-ramp to the freeway at Manning Road. I fought hard for that. I could not convince either the Labor government when it was in power or our government when it was in power, because the Department of Transport has a list, and the Manning ramp never got high enough up the list. We suffered there, but a couple of years ago the federal government put \$20 million towards the ramp, Labor won the 2017 election and now Labor will be delivering the ramp. I am told that it will be delivered before the end of the year, which would be good, so I might have to go out there. I have already held a shovel and done a bit of sod-turning with the minister and Steve Irons, the member for Swan. We do not get to achieve a great deal in our political lives, especially big projects, but for me, in South Perth, that will be a good project. I do not know why Main Roads did not put this project higher up the list, but people on my side of the electorate said that it was a no-brainer. The people who go to Curtin University, the people who want to go to the new Fiona Stanley Hospital—at present, when they get to the end of Manning Road, they have to turn right, go up to Canning Bridge, do another right-hand turn, do a U-turn, come back a couple of sets of lights and then head south again. It is going to happen, which is good, and I am very happy about that.

Recently, we had the Liberal Party conference in Bunbury. I met a lot of stakeholders from sport and recreation in Bunbury and they raised a couple of things with us. The first thing we need is for the KidSport funding to be lifted. A city like Bunbury has a lot of disadvantaged families, who would take advantage of KidSport. KidSport was one of the best things ever introduced. Hon Terry Waldron might have been the sports minister who introduced it. It was a great program. The people of Bunbury said, “If you can do that, it would be great,” so I have spoken to the Minister for Sport and Recreation, Hon Mick Murray, and I hope to work with him to do that. Hands Oval is the historic, great old footy ground in Bunbury and the change rooms are a disgrace. They are not up to modern standards. The AFL said to the South West footy league, “If you want us to bring AFL teams down there for pre-season games, you gotta spend some money on it.” The plan is to spend \$4 million to \$5 million. The minister is aware of the project and I know that he supports it. That is another thing that I will speak to the leader of the Liberals about as we go to the next election. Maybe part of our policy will include some funding for Hands Oval, and we will be able to see some good AFL teams go down to Bunbury to play, as they did for many years. I remember that the Fremantle Dockers played Carlton at Hands Oval.

**MS L. METTAM (Vasse)** [5.05 pm]: I would also like to contribute to this debate and respond to the Premier’s Statement. It is pretty tough following the member for South Perth, given that it is his final reply to a Premier’s Statement, and I am sure that we will all get the chance to acknowledge the contributions that the member for South Perth has made, over the next 12 months. But it is certainly quite clear that he is held in high esteem in this place.

The Premier’s Statement raises the question: what has actually been delivered after three years of a McGowan government? In his previous Statement, he stated, “We are only just getting started.” But I would argue that the government has not really begun, particularly when it comes to the delivery of its transport projects and its signature Metronet project. This week started with chaos, congestion and total incompetence. We saw about three hours of delays for some commuters on the Kwinana Freeway. It was another delayed project and another series of delays under the McGowan government’s watch. Today we saw that safety issues have again been raised regarding the government’s management of the Brand Highway project. As I stated on Monday, it was chaos that we saw on the Kwinana Freeway. There were extraordinary scenes on Monday. Cars were banked up for about 20 kilometres and some motorists were stranded for up to three hours. This hurt productivity and affected a community that is increasingly becoming fatigued by the delays that we are seeing under this government’s watch. This time it was the work of a contractor on the Kwinana Freeway who was unable to see works completed on time, mending an existing drain, pouring concrete that did not set in time. That response and that excuse simply is not good enough. We know that it was a contractor that was also associated with a project last September when we saw similar scenes of chaos on the Mitchell Freeway, with the movement of a pedestrian bridge causing great congestion. We are aware that this contractor has been sanctioned in the past, and it raises the question about how this government is managing projects.

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We need a government that puts a greater value on communities and safety and is better able to deliver projects. The delay, congestion and chaos we have seen on Kwinana Freeway are symptomatic of the government's inability to deliver transport projects on time and on budget. It also raises questions about how serious the McGowan government is about addressing congestion on our roads, particularly when the government not only mismanages contracts, but also ignores the needs of the community of the south metropolitan area. I am pointing quite clearly to the need to extend Roe Highway, a road project that has been supported by successive governments for over 50 years.

Cyclists are a group of road users that have been impacted by the continuing delay in finishing the Kwinana Freeway northbound widening project. A great contingent of cyclists uses the principal shared path that goes over the Narrows Bridge. They are quite great in number. In 2016, over 2 200 cyclists a day rode over the Narrows Bridge. More riders travelled over the Narrows Bridge than rode over the Sydney Harbour Bridge during the same period, making this daily commute one of the largest in the nation. However, since February 2019, the Kwinana Freeway path from Cale Street to the Narrows Bridge, which was due to open in August, has remained closed and is expected to remain closed for some time, forcing many cyclists —

**Mr J.E. McGrath:** Have a guess where they're going now.

**Ms L. METTAM:** They are going through South Perth.

Unsurprisingly, the latest data shows that the number of cyclists travelling over the Narrows Bridge has dropped dramatically, by 80 per cent, to just 647 a day. I heard from many cyclists at the beginning of the week who said the severe congestion on Kwinana Freeway highlighted that they had no option other than to join the queue of traffic. The Premier said that the government is only getting started. I argue whether it has seriously begun to get started. In April 2018, Christian Porter was reported in the *Echo News* as saying it was disappointing to see WA Labor promise the Ellenbrook train line during the 2017 election as a fully funded project but then not include it in the budget after the election. That highlights a couple of things. The first is that the federal government has committed quite a considerable amount—\$2.3 billion—to the Metronet project. We are yet to see any funding on the table from the state government for the \$500 million needed to make up the gap in funding required for that signature project. That project has now blown out by 15 per cent. We saw an extraordinary performance by the Premier today in question time. He could not define the cost to the Western Australian taxpayer of the Metronet project. After fudging his answer yesterday and saying that the project was under budget, which is completely untrue, the Premier was still unable to define the cost of the government's signature project. The truth is that there has been an 80 per cent increase in Metronet's budget. The truth is that the cost of Metronet stage 1 has increased by 80 per cent, from \$2.9 billion to \$5.29 billion. Metronet stage 1 has blown out by over \$2 billion. The federal coalition government has set aside \$2.3 billion in funding for Metronet. It is concerning that we do not know the true cost of Metronet in response to the questions we have asked, many of which remain unanswered. It is extraordinary that the Premier cannot answer such a simple question, even when given fair notice of 24 hours after I asked my first question.

The budget for the Morley–Ellenbrook line has increased by at least 15 per cent and the cost of the Thornlie–Cockburn line has increased by 51 per cent so far, from \$474 million to \$716 million. Part of that blowout has been associated with the \$20 million attached to improved wages for workers on that project. Given that there are more than 1 600 workers on that project, it works out to \$12 000 over the two-year life of the project. That is an additional \$6 000 pay rise for each worker on the Thornlie–Cockburn project. Wages are stagnant across the country at the moment, and that is an issue. However, it raises concerns when comparing the wages of the workers on these projects with police officers, nurses and those who are on the front line who are also seeking a pay rise from this government.

We have seen a 38 per cent increase in the cost of the Yanchep rail line extension. The early works were promised to commence in 2019 but in reality the works will start in 2020. The Byford extension has seen a 65 per cent increase. The length of the delay is unknown because there is no construction time frame. We are expecting the business case to be delivered later this year. There is no timing or cost associated with the new railcars for Bellevue station until after Midland station is complete. A 10-year contract worth \$1.25 billion to build railcars has been signed but the cash flows are outside the forward estimates period for the build program, like many Metronet projects. The Forrestfield–Airport Link has obviously been plagued by problems and delays under this government's watch. It has been delayed by more than a year due to safety issues. Similar safety issues were raised today about another project that this government is overseeing—the Brand Highway project. This was due for completion in 2020 but the expected completion date is now late 2021. The Byford extension is delayed but it is not known for how long.

I have also mentioned the Midland extension to Bellevue, which is currently off the table. We have also seen a number of broken promises associated with Metronet. A \$40 000 feasibility study into light rail between Armadale and Cockburn is seemingly off the table. There has been no detail on the operating subsidies or the ongoing costs regarding \$6 million allocated for a spin campaign this year after the Premier stated, in opposition, that his government would not dedicate public funds to such efforts. An increase in patronage was also factored into the delivery of Metronet and the expansion of the public transport system. Effectively, we have seen about eight million fewer boardings

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on our public transport system this year compared with 2012–13. This government is not only developing projects at a snail's pace, but also stopping projects or not starting them. The extension of Roe Highway stages 8 and 9 was a great opportunity and would have addressed congestion and promised to remove 74 000 light vehicles off the local roads of Farrington Road, South Street and Leach Highway. Unfortunately, this government has rejected a proposal that had \$1.2 billion on the table and promised 10 000 direct and indirect jobs and another proposal that promised to reduce travel times by about 17 minutes between Kwinana Freeway and Fremantle during peak periods and 12.5 minutes during non-peak times. This project has community support. It is unfortunate that this government is not only turning its back on a congestion-busting project but also proposing to remove the road reserve so that no future government can progress this project. The government's answer to congestion in the south metro area is just a bandaid response; that is, the upgrade of High Street. That will do little to address the serious road safety concerns in this area. The transport industry does not support this project and is very concerned about this bandaid response, which includes the construction of a roundabout that will impact on the local golf course by removing two holes and a lot of its space. The only response the minister has given to issues raised in the media about this bandaid solution is to point to the outcome of the Westport Taskforce. That is certainly not good enough. We will look at what the flawed Westport Taskforce comes up with when it provides its report early this year, but it is very clear that ignoring Roe 8 and Roe 9 and the extension of Roe Highway ignores the needs of the commuters of the south west metropolitan area. It also ignores the needs of and opportunities for the western trade coast, given that it would support the industry in not only Fremantle but also the western trade coast.

I had the opportunity to meet with the community in Hillarys on a number of transport issues, including the need for a third southbound lane on the Mitchell Freeway between Hodges Drive and Hepburn Avenue. This is another project that has federal funding on the table but is awaiting a state government commitment. The member for Hillarys is a passionate advocate of this project, and it is important that it continues.

Another issue in the transport portfolio is this government's lack of communication and engagement with the community, as was demonstrated during the closure of Eyre Highway just before Christmas. That was an unprecedented situation.

[Member's time extended.]

**Ms L. METTAM:** Not only was this lack of a connection between South Australia and Western Australia unprecedented, but also we heard stories of makeshift signage or an almost total absence of signage in some areas, which led to much frustration and concern in the transport sector and amongst people who were travelling across this area.

In relation to the government's lack of engagement with the community, it was disappointing that it took an interview on 6PR by Andrea Pike, a resident of Forrestfield, before we saw some form of backdown by the McGowan government on its plans to block off the Forrestfield community with its design for the Hale Road and Tonkin Highway intersection. Andrea Pike was speaking on behalf of the Forrestfield community when she was interviewed on radio. She had promoted a petition on the government's plan to remove access between Hale Road and Tonkin Highway. This plan was heavily opposed by the Forrestfield and Wattle Grove communities, and for very good reasons. It was fantastic to be able to meet with more than 50 of those people in Forrestfield to hear their concerns. There was also a follow-up meeting, attended by the member for Forrestfield and a member for the East Metropolitan Region. Several hundred people joined us at the football club to hear about the issues with the government's plan for this important upgrade to Tonkin Highway, which again is a project that is heavily supported and funded by the federal government but which has had poor delivery. The design was effectively going to block access from Hale Road for the commuters of Forrestfield. This project is worth a rethink. Again, we look forward to the government reconsidering its original plan. Hale Road provides the main access to Tonkin Highway for the community of Forrestfield, which has a growing population of 11 000 residents. To deny this community and the community of Wattle Grove access to Tonkin Highway would add to travel times, shift volumes of traffic onto local roads and lead to poor road safety outcomes.

There are a number of issues in the transport portfolio and I could go on and on. It was extraordinary that the Shire of Capel put a full-page advertisement in last week's local paper seeking a meeting with the Minister for Transport because it had not been heard. Our regional taxi operators have also had to take extraordinary measures. They held their third protest at Parliament today. They wanted to be heard and to have a meeting with the minister. I join the taxi operators in being pleased that the minister has finally agreed to meet with this important sector of the transport industry in regional Western Australia. They are an important part of our regional communities, in the absence of public transport. The issues affecting regional taxis are unique, because they are often the only form of transport available in regional WA to seniors and the disabled when they cannot access public transport. In my region, the South West Wheels program, which supported disabled persons by providing access, was defunded, so taxi services have become even more important. However, since the delivery of the on-demand transport reforms,



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many operators who had provided a dedicated service to people with wheelchairs in regional WA have shut down. In fact, plates were handed in for as many as 12 vehicles that had provided dedicated services to wheelchair users—two in Mandurah, one in Derby, one in Albany, two in Kalgoorlie, two in Bunbury, one in Geraldton and one in Broome. That is according to the Western Australian Country Taxi Operators Association, the industry group that went to great effort to get a meeting with the minister. It is quite extraordinary that after three years in government, it was only today, after three protests, that this group had the opportunity to be heard by the minister.

I will conclude with some comments about my electorate. I make the statement from the outset that this Premier and this government are not governing for all Western Australians. The region of Vasse, which I represent, has quite clearly been ignored in consecutive budgets.

**Ms S.F. McGurk** interjected.

**Ms L. METTAM:** The minister may interject, but I had the benefit of having the Leader of the Opposition in the electorate of Vasse just recently, and we heard from community representatives at the youth precinct. The frustration that they are feeling, with vulnerable youths visiting the centre, is extraordinary. It is a shocking that there is a lack of crisis response to child protection issues being raised. There are issues across the mental health sector as well. There is a lack of crisis response in the area of mental health, and the only option is to be supported by a service in Bunbury, but people are told that they cannot receive that service because they are not from Bunbury. That raises serious concerns about the breakdown in the delivery of crisis response for mental health and child protection in regional WA. That is something that I have raised on a number of occasions, and that is why I find it extraordinary that the minister has interjected in that way.

Regarding my electorate, I would like to make a couple of points about the Busselton jetty. The Busselton jetty has been around for 155 years. It is a fascinating historical, heritage, tourism, recreation, marine science, community and state asset. A unique and successful model operates the tourism business on the jetty. The Busselton Jetty Inc is a not-for-profit community based organisation that is licensed by the City of Busselton and returns about \$1 million per annum from operating surpluses to a jetty maintenance fund administered by the City of Busselton. This saves ratepayers and taxpayers significant amounts of money and will alleviate this burden on taxpayers into the future, utilising an underwater observatory; train; interpretive centre; and a deep sea pool for divers, snorkelers and helmet walkers, including an underwater diving experience. The Busselton jetty is quite extraordinary. It has surpassed expectations in what it has been able to deliver on a tourism level. Just last Sunday it hosted WA's biggest ocean swim, the Busselton Jetty Swim, which attracted 3 300 competitors and more than 10 000 visitors. Most recently, it was the winner of the premium tourism award in Western Australia, the Sir David Brand Award, which is a significant achievement.

But it has plans to grow bigger. It has been supported by the federal government, which has provided \$13 million towards a project that will develop an Australian underwater discovery centre at the jetty. This will take Busselton jetty to a truly international iconic status. A business case was completed in April 2019 and two-thirds of the required \$30 million for this project is in place, with \$13 million committed as a result of advocacy by Nola Marino and the federal government, and \$7 million committed by the City of Busselton. To complete the funding package, this project has applied for \$10 million from the state government's market-led proposal program, but unfortunately that has been delayed. There is concern about the application that was submitted in May 2019 with full and detailed documentation; since then it has experienced a series of departmental and ministerial handballs, several requests from agencies for information that in several cases had previously been provided several times, and general procrastination.

The problem is that there is a time line. There has to be significant progress on the project by mid-2022, or the project will not go ahead. Thirteen million dollars will be lost to Western Australian tourism if this project does not proceed. If that happens, it will be a huge lost opportunity for the state to demonstrate to Australia and the world that we have the unique and iconic tourist attractions that the market demands. The other aspect of this is that with these improvements, Busselton jetty will become fully sustainable by generating the extra funds required for the jetty's maintenance in perpetuity, relieving taxpayers and ratepayers of this burden. I hope to see some positive support for the south west from the WA tourism industry and the state government in the very near future, by taking this great opportunity to join the funding partnership to enhance the Busselton jetty experience. I urge all ministers with a role in this market-led proposal to get behind Busselton jetty's great plans for a future that will boost tourism numbers with experiences to save the public purse.

**MR P.J. RUNDLE (Roe)** [5.35 pm]: I rise to give my response to the Premier's Statement. While the member for South Perth is in the chamber with his tissues, I want to recognise his contribution.

**Mr J.E. McGrath:** I haven't gone yet!

**Mr P.J. RUNDLE:** I know he has not gone yet, but he was talking as though he was on the way through!

**Extract from Hansard**

[ASSEMBLY — Wednesday, 12 February 2020]

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I want to recognise his contribution, certainly in the sport and recreation portfolio, which I am the spokesperson for in the Nationals WA. I am very passionate about that. Further to the member's comments about the transport situation, I stay in South Perth when Parliament is on, and in years to come, when I am sitting there as the traffic backs up from the corner of Labouchere Road and Mill Point Road, I will think of the member for South Perth. I hope it does not progress that way for too long. Of course, I will always have the John McGrath Pavilion in South Perth to drive past to remember him by. I just thought I would say those few words. As I said, the sport and recreation portfolio is one close to my heart.

Today I would like to talk mainly about a long hard summer in the electorate of Roe. It has been a summer that most of us would like to forget, to be honest. Whether it has been issues in the Esperance region or bushfires right throughout the whole electorate, it has been quite an upsetting summer for most of my constituents. I will run through some of those things, along with some of my portfolio elements, if I get that opportunity later. Firstly, the Minister for Fisheries spoke today about the shark attack in Esperance when, unfortunately, Gary Johnson was attacked. My sympathies go to his family. The attack was on Cull Island on 5 January. Gary was a much loved member of the Esperance community. He worked up right through to the great southern in his role at Farmers Centre. It was a most unfortunate incident and our sympathies go to his family. I am pleased to see that the Minister for Fisheries has taken some action. I am pleased that he rang me that night and he moved to take some action and increase the number of receivers and warning towers and so forth in the Esperance area. I congratulate the new Minister for Fisheries on that. We also had a drowning victim, Eric Birighitti, who was unfortunately washed off the rocks on Twilight Beach. My sympathies also go to his family. He was a promising athlete who attended Aquinas College in Perth and will certainly be missed by his family and friends.

On a positive note, in Esperance we had the opening of a new Lucky Bay brewery, by Nigel Metz and Robyn Cail, in a new location. It was certainly fantastic to see how well patronised the brewery was over that period. Lucky Bay Brewing pioneered the creation of beers using up to 75 per cent raw barley. They can use barley sourced directly from local farmers around Esperance and the great southern region. It was quite unique to see the way in which they got the brewery up and running so quickly. I certainly congratulate them.

Unfortunately, as we know, it was the summer of fires. The first was the Cascade fire, which started on 16 November. Then we had the Forrestania fire, which was started by lightning strike on 4 December. That fire closed down the operations of Western Areas Nickel for some two days. Then, of course, we move on to the Balladonia fires, which were first reported on 16 December, and then, as we know, continued for many days. In total, the fires ended up burning out several hundred thousand hectares and, along with the Norseman fire, forced the closure of Eyre Highway for 12 days. After that, I think what we need to do—I am sure the member for Kalgoorlie is all over it—is have a bit of a think about how we deal with this region in particular. We are certainly proposing that there potentially should be a firebreak of up to 100 metres on either side of Eyre Highway. It is unacceptable that the main highway from the eastern states was closed for 12 days. To me, it is also unacceptable that a lot of our fruit, vegetables and so forth are being transported from the eastern states; they should be coming from Western Australia. I think that is another thing that needs to be looked at, but that is a side issue. As far as I am concerned, we need a 100-metre firebreak on either side of the highway, and much more effort should be made to escort vehicles through. We seem to have this idea that we will close the road because it is too dangerous and then no-one looks at it again for another few days. We need to work a lot harder in that area. I know that there was an escort through at about four or five o'clock one morning, but we could do aerial surveillance to check out the road and what is happening with the smoke and get those vehicles through. I think the Department of Fire and Emergency Services and others need to work a bit harder in future to open those roads and get transport happening.

Obviously, the Norseman fire created disruption for the whole area. We had the fire that closed Lucky Bay for two days, with campers evacuated on Boxing Day. That fire burnt out over 3 000 hectares. On 20 December, there was another fire in the Nuytsland Nature Reserve, which is part of the Cape Arid National Park. It was contained on 1 January, but an estimated 49 000 hectares was burnt, including approximately 6 000 hectares of western ground parrot habitat. I see that the Minister for Environment is behind the Chair talking to the Minister for Local Government. We have written to the minister to tell him that there are potentially only 150 western ground parrots left in Western Australia and that habitat is really under threat now; we need to look at that. The Forrestania area was affected on 8 February and we had the Dundas fire as well.

That was the fire scenario in the Esperance region. It was massive. Then, to top it off, on 9 January, the Activ Foundation decided that it was closing in Esperance, which really deflated residents in Esperance and those families affected. For some reason, which I still have not been able to get to the bottom of, Activ Foundation decided that it was not the most suitable provider of disability services in Esperance. The Activ board approved the decision and it is basically signing off on 31 March. My question to them is: why Esperance? Why was that location picked, because the foundation was doing a good job and a lot of families were using the service? There are two locations. We have a residential component, which I think four people live in; it is a fantastic set up. Then of course we have the

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Sheldon Road property, where a lot of the clientele would go during the day and activities such as lawn mowing and gardening services go out from that location. It is such a fantastic service, and I really question why Activ has done that. I congratulate Mrs May Read and Mrs Lorraine Thomas, who founded the service in the early 1970s.

There are two buildings left that the Activ Foundation theoretically owns, but, quite frankly, the community actually purchased. The community made many donations for the purchase of those properties and equipment, and now we have a conundrum whereby the service is departing the scene and may be thinking that it can sell those properties, when, in fact, the community has contributed so much to them. I certainly compliment the Shire of Esperance and new president Ian Mikel for moving in straightaway and calling a community meeting to talk to the community about what is happening. I think the shire will look at what will happen to these buildings and the community contribution. I do not think Activ Foundation, quite frankly, has the right to sell those buildings outright.

With that, I will leave my discussion of the Esperance area, and make some more general comments about the Roe electorate. Obviously, we are facing one of the driest times in the Roe electorate's history. I again call on the Minister for Water to look at reinstating the farm water rebate scheme. The minister is doing a great job trying to criticise the federal government, because, as I said earlier, it took back \$1.35 million because his Department of Water could not get the applications processed in time. The department had much more than \$1.35 million worth of applications, but it could not process them in time, and the federal government took the money back; it is now supplying another round of funding for next year. But the minister has been out during the summer, on the *Country Hour*, criticising the federal government for not supplying the money when he has pulled out over \$20 million from the farm water rebate scheme. The farm water rebate scheme supplies up to \$20 000 to farmers and other ag people to put in water infrastructure—well, it did under the previous government under the royalties for regions program. That encourages farmers, including me—I was one of the recipients, because I decided to build more tanks to become independent of, or less dependent on, the Harris River Dam and so forth. It is a constructive way of taking pressure off our water resources. We have a minister who is out and about, criticising the federal government, when he has pulled money out of the state program, which I find quite bizarre.

**Mr W.R. Marmion:** It had good probity amounts, too, didn't it?

**Mr P.J. RUNDLE:** Excellent. One had to be audited; the whole package. It was a good sequence and very well done. I am really disappointed. The Minister for Water pointed out recently that he will be spending up to \$11 million shifting water around the south west and the wheatbelt. Obviously, that is necessary, and I compliment Tracy Calvert from the Department of Water, who has been instrumental in doing that. She is working hard to make sure that all farmers have enough stock water et cetera, but surely we also need to focus on asking and getting our farmers and shires to clean up their catchments, improve their dams and get it happening so that when we do have the rain, we can maximise our water run-off. This is another reason the farm water rebate scheme is so important.

The Water Corporation is now trying to dump its assets on the shires around the wheatbelt. It is trying to handball the agricultural area and other Water Corp dams that it has not maintained off to the shires and say, "Look, can you look after our assets? We don't want to maintain them, but we'll give them to you and you can maintain them." What about actually looking after its assets, improving the catchments and improving the dams, and then maybe handing them over to the shires to maintain them? It is the same with the standpipe situation. It has cut the fittings back from 50 and 80 millimetres to 25 millimetres. A 25-millimetre fitting will cost \$2.50 a kilolitre, but a 50 to 80-millimetre fitting will cost \$8.50 a kilolitre. It is exactly the same water out of the same pipe but over three times the price. Then it is also getting the shires to look after its accounting, so now it has gone up to over \$10 in some shires because they are having to do the administration work for the Water Corp. This is quite a bizarre situation. A lot of the shires have now actually locked up their standpipes so that people cannot get to them. They do not want people coming in because the shire will get charged for the water, so they have padlocked most of their standpipes, and this puts us in jeopardy when we have fires.

Flowing on from that water issue is the drought funding. There is extreme disappointment in my electorate and in adjoining electorates about the lack of drought funding and lack of concern by this government for our people in places like the southern rangelands. I am sure the members for Kalgoorlie and North West Central are all over this one. After severe duress, the only contribution that this government has made is \$25 000 for fuel for the Farmers Across Borders hay run that went up from Esperance the other week. I cannot believe there has been no sympathy, empathy or anything else shown by this government for those people in the southern rangelands for how hard they are doing it. I congratulate Farmers Across Borders for the work that it has done.

[Member's time extended.]

**Mr P.J. RUNDLE:** That is one point I want to make. Another I want to talk about—I spoke about it during question time today—is the 40 000-hectare fire in the Stirling Range that started on Boxing Day. That has devastated Stirling Range National Park. Over 30 000 people visit Bluff Knoll a year and over 80 000 people visit Stirling Range National Park, and it is absolutely essential that this government becomes fully aware of the

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devastation that has happened to our regional businesses down there. I was there about 10 days ago. The businesses surrounding Stirling Range National Park are really doing it hard.

I wrote to the Minister for Environment, because the Bluff Knoll track needs to be rebuilt and it can only be done by hand. We had two or three people up there doing their best, carrying sleepers up on their back and the whole package. I spoke to the Minister for Environment and, to his credit, he is diverting other resources from around the state. I think the pressure put on him by owners who were on the radio and other people, including myself, has hopefully had an impact. Well done to him, because that Bluff Knoll track is so important to tourism in that whole region.

Another issue mystifies me. I asked the Premier today: why has our Minister for Emergency Services not put in a request to the federal Minister for Agriculture, Drought and Emergency Management, with all the postcodes that have been affected in Western Australia, to give them some relief from the Australian Taxation Office and for emergency grants for business? Here we go—for all our eastern states businesses, we have seen the coverage of the eastern states bushfires. “Let’s help our businesses. We have to be open for business.” Put those postcodes in so the relief can be granted. Here we go—our Minister for Emergency Services cannot seem to be bothered to put that paperwork in. We checked with the federal minister as of lunchtime today, before I asked my question. Not one place in Western Australia has been listed for that emergency management. The last listing we had was in February 2017 for the floods in and around the Ravensthorpe–Lake Grace area. The minister needs to lift his game. That is why I asked that question today.

I will just talk briefly about the Katanning fire, which I was involved in for three days last week. It was quite a frightening fire. It started on Friday at about 11 o’clock and went through probably about 3 000 hectares of farmland on the Friday. We eventually managed to get it under control with the assistance of many volunteers and the water bombers. Unfortunately, on the Saturday, we had another 40-degree day with 40 kilometre-an-hour winds and it came up again, broke the containment lines and ended up threatening the town. In fact, I thought at one stage we were going to lose maybe 30 or 40 houses on the edge of town. We lost one house, unfortunately, in town; we lost another one or two out in the farmland. We have lost 80 kilometres of rural fencing, along with a lot of other sheds and outbuildings, hundreds of livestock and 50 power poles, and we had quite a lot of power outages right through Saturday and Sunday. Once again, this issue of communication and the ability to communicate during those fires came up, because when our towers are under threat, we lose power and we do not have the right battery backup for our Telstra towers et cetera, and we cannot communicate with each other. We now have the situation in which Western Power is saying, “Don’t rely on us in an emergency” and Telstra is saying, “Don’t rely on us in an emergency”, so what do we do? The Great Southern Highway was closed for four days. What I can say is that all the community, the surrounding shires, the emergency services, the volunteers and the Shire of Katanning under the leadership of Liz Guidera did a fantastic job in helping get that fire out and helping to support. I give full credit to everyone who was involved. It is quite amazing. The other day, one of my constituents, Jocelyn McLennan, raised the lack of coverage from our news services. She was focusing on the Channel Seven and WA news scenario. When we have these fires, many families around Western Australia are worried about what is going on and what is happening to their families. We seem to be very focused on the eastern states situation with their fires and now their floods, but what about having a bit of a think about improving our news services on some of the fires that are happening at a more local level?

We got some coverage from the ABC, which was good, but I would like to emphasise that an improvement is required.

I will move on to some of my shadow portfolios. My main portfolio is education. As I spoke about before, we were very disappointed with the attitude of this Labor government towards regional education. In December 2017, it slashed and burnt \$64 million worth of regional education. It is quite a contrast to the start of the Premier’s Statement. He said that the government believes that every child in Western Australia should receive a good education. There you go—that was a great example! In December 2017, the Schools of the Air, Moora Residential College, the agricultural college trust fund—which we are still fighting for—the boarding away from home allowance, and VacSwim were slashed and burnt. The government received pushback from our regional residents. They were fantastic. I cannot compliment enough the likes of the members of the Country Women’s Association who came out in force. It was the first time in 95 years that they had protested. That demonstrated to the Premier and, hopefully, members opposite the value that people of regional Western Australia put on their kids and their kids’ education. Sometimes families are located in places where they cannot help but use Schools of the Air or send their kids to a boarding school because they are on a station 500 kilometres away from Meekatharra. The government needs to think clearly before it makes decisions of that nature in the future. I hope that has made an impact on its mindset. I agree that we only get one opportunity to educate our children and some of the things happening in our schools worry me at times. I want to take this opportunity to express my thanks to the director general and the deputy

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director general of the Department of Education. On occasion, they have helped me with issues in schools around my electorate, and parents and families have been very thankful for that support.

I spoke about the sports and recreation portfolio before with the member for South Perth. I think it was great that he brought up KidSport, which was an initiative of “Tuck” Waldron, my predecessor. I think that was a fantastic initiative to get all our regional and metropolitan kids involved in joining clubs and getting involved in sport. It is great for their physical and mental wellbeing. I obviously have a passion for tennis. I have been involved in the sport for a long time. I will continue to advocate for the State Tennis Centre at its current site. The member for Belmont, who is on my left, knows all about it as it is in her electorate. She and I know the importance of the State Tennis Centre to the tennis fraternity in Perth. Many of our juniors train there every morning and every afternoon after school. At the moment it appears that the Department of Local Government, Sport and Cultural Industries is trying to push tennis out to Whiteman Park, if that can be believed, to suit the government’s Metronet plan. Whiteman Park is miles from where those kids are focused. I will be advocating for the State Tennis Centre to stay at the aspirational stadium site. When our metropolitan and regional kids come to the tennis centre, they are coming to an aspirational place—a great sporting precinct similar to the Melbourne Cricket Ground and the National Tennis Centre in Melbourne. That is the perfect location for tennis in Western Australia.

I want to talk about another couple of things. Seniors and ageing is another portfolio of mine. We need to keep our seniors in their regional towns. We need to keep them close to their families and friends. Our “Ageing in the Bush Report” confirmed that the number of people aged over 80 years will double in number by 2025. We need to keep looking at resources for our seniors. The independent living initiative, which we funded through royalties for regions, was a fantastic initiative. I know that the member for Moore fully agrees with me on that. We had some great projects lined up for that, which, unfortunately, have been knocked on the head by the Minister for Regional Development.

Finally, I want to make a comment about volunteers. There is no better demonstration than what I saw at the Katanning fire last weekend. It was great to see all those volunteers out there. It was also great to see our fireies, people from surrounding shires, our water bombers and the whole package. It had a big impact on me seeing that if everyone joins together, we can get those fires under control. Another of my shadow portfolios is multicultural interests, which I think of when I see the Katanning Harmony Festival.

[Quorum formed.]

**MR S.K. L’ESTRANGE (Churchlands)** [6.07 pm]: Yesterday we heard from the Premier in what was clearly a lacklustre display of leadership with no vision for the future of Western Australia. It is no wonder that 12 months ago this week, a push poll was put out by Labor. Members may recall it. It was reported by *The Sunday Times* on 10 February that 41.2 per cent of people were unsure about Premier McGowan as leader of the state of Western Australia. It is no wonder that during his Premier’s address yesterday, he tried to talk about the supposed achievements of the WA Labor government over the last three years, and skipped over all the backflips, bumbles and broken promises that he has been at the head of over that same period. It is another example of someone trying to recreate history and hoodwink the people of Western Australia, and even this chamber, into thinking that something has been achieved when the opposite is much more true.

We also heard today from the Treasurer who talked about his version of economic history. He went to the Barnett Liberal–National government era and tried to pitch all the current state Labor government achievements against the achievements of the former government. Again, that is an example of us getting an economic historian as opposed to any economic leadership. The fact is that over the last three years the people of Western Australia have been let down time and again by this government because it has failed to address the needs of the economy of Western Australia. It is completely reliant on a GST return and a royalty return. Members opposite have relied on the flat wages growth scenario that has beset the national context to help them in their spending. They have allowed all that to take place, but have no economic plan to stimulate the economy and grow real jobs in the domestic economy. I will touch on some of that now. Our shadow Treasurer touched on it earlier.

The fundamental fact is that our constituents are the consumers in our domestic state economy. They have been whacked into fiscal submission by ongoing hikes in household fees and charges. That is not how one supports consumers to get out there and spend their hard-earned wages on small businesses in and around Perth and in the regional centres of Western Australia. The government needs to support consumers, who are its constituents, so that they can go out and support the businesses in their communities. That is why throughout this year we will alert government backbenchers—members of Parliament sitting on margins of less than six per cent—that their government’s failure to address the needs of the economy of Western Australia will be to their detriment. They will know that because they will be picking that up in their communities throughout the year in the lead-up to the election. That is why we will continue to hold the government to account for the current economic situation in Western Australia. I will highlight some of the key points.

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The Australian Bureau of Statistics data for December 2019 had unemployment at 5.6 per cent. Significantly, it showed that unemployment in WA had been higher than the national rate for 54 months in a row, including the national rate of 5.1 per cent in December 2019. We also must recall that unemployment was 5.8 per cent in April 2017—a 0.2 per cent difference from when this government came into power compared with today. The Premier and Treasurer are saying that this is a monumental success—it is not. The people of Western Australia know that because over 80 000 people are unemployed, over 130 000 people are underemployed and youth unemployment is sitting—as the member for Carine mentioned earlier—at around 14.3 per cent, which is up three per cent from six months ago; it is going in the wrong direction. The unemployment situation has not improved substantially under this government and its commitment to jobs is just smoke and mirrors. It puts out media releases but people in the communities know that it is not getting the economy to move in the right direction.

In Perth's northern suburbs, where a lot of Labor seats sit, we essentially have an unemployment crisis. Residents in Perth's north-east have to wait 25.9 weeks before any of them have a chance of getting a job, and in the north-west the wait is 22.5 weeks. They are facing the longest job queues in the state with search times more than tripling over the past six years. Again, this government says that it is reversing things but it is not; it is getting worse. If we prepare ourselves to try to address this unemployment problem, then part of that preparation has to be about growing the number of tradies in Western Australia, yet net migration to other states has been going backwards in Western Australia. The March quarter 2019 figures show that 1 142 Western Australians headed east. In the June quarter, 1 023 headed east whereas the Queensland figures went up by 5 175 and 5 423 respectively, and Victoria went up by 3 518 and 2 436. The Australian population needs jobs, and they will be mobile if it means that their household is going to hurt by staying in Western Australia. This government has offered them no vision for the future for them to say, "Let's weather this storm because we can see that this government has a vision and we believe in that vision. We're going to stay in Western Australia and jump on board with a job when it becomes available because I want my family to stay here in WA." They are not doing that. They are leaving in droves and this government has not addressed that issue. It has not even put out a press release to say how it will address that issue. We keep seeing media and press releases that are just bells and whistles attached to little announcements of little economic consequence to growing jobs and growing the economy of Western Australia. As Bill Clinton famously said, "It's the economy, stupid." This government has simply not got that right; it has ignored it.

I have talked about the tradie shortage. There is a significant tradie shortage in the eastern states, which means people are attracted over there because they will get a job. If we do not have construction occurring here, then we will lose tradies to the east because they will move to where they know they will get a job. It is as simple as that. This government could have embarked upon economic infrastructure projects. One that we have talked about for the last three years is Roe 8 and Roe 9, a key piece of economic infrastructure that was part of that Roe Highway road network circling the city of Perth. It was designed in the 1960s. It has never been any secret that we should have a road network system that enables freight to get around the city and out to where it needs to be as quickly and efficiently as possible to avoid having freight traffic and the normal "mums and dads" traffic clashing on busy roads such as we have on Leach Highway and High Road in Fremantle.

In the property market, the CoreLogic home value index is pretty damning of the situation in Western Australia, and Perth more specifically. It lists the top and bottom 10 subregions for annual change in dwelling values. I will read the bottom eight or nine. At the bottom is Mandurah with minus 8.9 per cent followed by Darwin with minus 8.1 per cent and then it is all Perth: Perth inner is minus 6.3; Perth south west is minus 5.8; Perth north west is minus 5.6; Perth south east is minus 5.6; and Perth north east is minus 3.8. It then lists Adelaide central coast and Adelaide city and goes all the way up to Melbourne at the top. All the top areas have 8.4 per cent and upwards to as high as 16.2 per cent. We are in the red and getting worse. What is the solution from the state government? What is the vision from Premier McGowan and Treasurer Wyatt for how they will address the property market situation? We know what they did during the last three years, and that did not help it. They decided to hike up household fees and charges, put in a seven per cent surcharge tax on foreign investment, and scrap the regional migration scheme. That resulted in overseas families not wanting to buy a unit for their kids to stay in while they studied at one of our universities in Perth. We had the double whammy of a reduced demand in our housing and construction sector and a reduced demand for our places at universities, which is one of the most important export sectors of the Western Australian economy. The economies over east in places like Victoria, New South Wales and Queensland are all improving. It is almost like Labor came into power with a rear-view mirror of how it would lead this government. That rear-view mirror was all about focusing on just us. It has literally spent three years talking about us when the people of Western Australia voted Labor in so that it could focus on them and talk about what it was going to do to support them. The government has wasted its three years. Now it is thinking, "Let's go and have a love-in and a talk about that." It had its love-in at Rottnest—sitting around on the beaches at Rottnest is really going to engage with the local community it needs to support! Rottnest is obviously a serious marginal seat for the Labor Party—it is unbelievable! At least the member for Cottesloe's constituents can look at it, but

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I do not think the constituents in the eastern, northern and southern suburbs of Perth, which are all red at the moment, are going to think too kindly of the Labor Party having its love-in, one year out from an election, at Rottneest.

**Mr M.P. Murray:** What about you guys? You went to the south west and never even bothered coming to Collie but complained about it over the phone.

**Mr S.K. L'ESTRANGE:** The member for Collie–Preston talks about Collie and that is good—he loves his electorate and he has announced his retirement—but I understand that the members wrote fluffy little nice things about each other during their love-in.

**Ms M.M. Quirk:** That is complete and utter fiction.

**Mr S.K. L'ESTRANGE:** That was rubbish, but it was reported —

**Ms M.M. Quirk:** It was reported in *The West Australian* and is complete fiction.

**Mr S.K. L'ESTRANGE:** Was it complete fiction? I am just going on what I read.

**Mr A. Krsticevic** interjected.

**The ACTING SPEAKER:** Members! Member for Carine!

**Mr S.K. L'ESTRANGE:** It is probably for the best that it was fiction. If they were given the opportunity to write some stuff, I would love to see what they wrote on the former Minister for Fisheries. I would really love to see what was written on his little report card from his colleagues. I do not think it would be pretty because he was the only minister to be sacked from a portfolio in the last three years, which is some effort considering the huge backflips done in the first 18 months by the Minister for Education and Training. If anybody deserved to be sacked for incompetence back then, it would have been the Minister for Education and Training. She managed to get away with it, but the Minister for Fisheries did not. Clearly, there are some power struggles going on in the Labor Party with regard to who is who, how much power people have, and who gets to survive the ministry, even though they are clearly not up to the job. That is what we saw from the Minister for Fisheries over the summer.

The people of Western Australia watch that. Even though they might not be that interested in the crayfish industry, for example, if it is not specifically related to them, they notice how it impacts on workers and industries. The government made a great effort to disturb the microeconomic aspect of fisheries with a minister who was not prepared to talk to the key stakeholders. He upset them all so badly that there was a complete breakdown in the relationship between the minister and the key stakeholders in his portfolio and the Premier had to remove him. That was an atrocious display of ministerial conduct with the stakeholders, and the sacking of that minister from his portfolio is probably the only thing that this side of the chamber thinks the Premier has actually done well with.

We have seen many, many other bungles. We do not have to think too far back to the Barry Urban affair. It was not so much Barry Urban himself and what happened, it was more the way it was managed and handled by the Premier's office and its spin machine. Its constant denials and cover-ups and regauging how the story was going to be spun made people shake their heads. A bungled preselection process by Labor in the lead-up to the by-election resulted in that incident. The net result was that—on household fees and charges in which the government had been cruelly damaging household budgets—we romped it in with a 9.3 per cent swing, with an outstanding candidate in the member for Darling Range, because the people had already had enough of the government's lack of economic focus to support them and the state. That is what happened.

The government members have now just had their love-in, and, no doubt, they would have been asking themselves, as they were white boarding or whatever: what are the big concerns for us leading into the March 2021 election? The biggest issue confronting the government is that it has done nothing. It has said it was going to do a lot, but it has done nothing. The government has done some social reengineering. We have seen a lot of that, and it has spent a lot of time on that, but it has not done what is fundamentally important to every household in Western Australia, and that is to make sure that they have a secure household, secure jobs and that there is a vision for Western Australia that will provide their children with secure jobs. Families in Western Australia, believe it or not, want their kids to stay in WA. They want their kids to enjoy the best lifestyle in the world, which we have here in WA—a magnificent climate and coastline, and schools and health facilities that we built. They want them to enjoy all of that. They do not want to lose their kids to Victoria, New South Wales or Queensland, where they may end up marrying other young people from those states and then they are lost to this state forever because they stay over there.

**Mr M.P. Murray:** I've got a couple of great grandkids over there.

**Mr S.K. L'ESTRANGE:** That is probably a personal issue for the member over there to deal with.

The fact is that if we do not grow our population and have a vision for Western Australia that supports people staying here, the state is going to struggle. As we have just seen with one event, the coronavirus in China, we now have threatened markets in Western Australia. If we put all of our eggs in one basket, this is what happens. If we

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do not diversify our economy to make sure that if something goes wrong in the mines sector in which the biggest client that we have for iron ore might suddenly decide that it does not need to build any more steel, or the client to the crayfish industry says, “Well, we can’t import any crayfish anymore, because people aren’t walking down to the shops to buy any”, it impacts on us directly. Every single member in this house has constituents who rely on jobs, so what has the government done to diversify the Western Australian economy and to genuinely link jobs growth to a vision for Western Australia that the people of Western Australia are going to believe in? I am not seeing it at all. There have been some great visionaries in Australia’s political history over the last 100 years. Admittedly, they are probably few and far between, but when the economy is down and constituencies are doing it tough, we do not play around with fancy bells-and-whistles media releases, which do not attach themselves to actually growing the state. We roll our sleeves up, work out how to build industries, work out how to get the private sector involved and we do something about it. Much more needs to be done about that. Investment has gone down considerably. In fact, Western Australia had \$5.3 billion of building activity in the pipeline in the June quarter 2019, which was \$6.3 billion during the same quarter in 2018. That is a \$1 billion drop in infrastructure investment and building activity in the pipeline. Where in the Premier’s Statement did he talk about what he is going to do to address that? I did not hear it, and I know the government members did not hear it either.

I know that the government has done certain things to try to address the Western Australian economy—for example, with the direct flights from Japan and China. I think the direct flights are great, but the government has to do something for the tourists when they get here. It is all well and good to get people to go out and have selfies with quokkas. The other day I noticed that on St Georges Terrace and Adelaide Terrace that there were big pictures of quokkas—come and look at me! That is all well and good, but if we have these direct flights from Japan landing in Perth because these people want to go to have a look at a quokka, how do they get accommodation during the peak period of summer? We have a system at Rottnest Island that means tourists have to book accommodation and pay for it two years in advance. How is that going to help the tourism industry? It is not. The government is not thinking it through. It just thinks, “Oh, we’ll just throw up a pretty picture of a quokka with our minister and we’ve got direct flights. Look how good we are!” It is the product at the end of the marketing effort that is important, and the government has done nothing with the product, but we did. We sunk the railway line. We built Elizabeth Quay. We promoted Perth and Western Australia. We built the stadium. We built the hotels with the private sector. We got things done to attract people here so that when they came here they had something to do and something to see.

**Mrs L.M. Harvey:** And we booked the events for the state.

**Mr S.K. L’ESTRANGE:** We booked the events. What has the government done? The government has to stop spinning yarns in media releases, roll its sleeves up and build what is required to satisfy what it is trying to achieve. It is all well and good for the Treasurer and the Premier to say, “No, no, we’re not going to do any spending, because we want to have budget surpluses.” That is fine, but come up with an alternative. What is the government doing to attract the private sector to come in to do the investing? I have not seen any of that. Where is the private sector investment in growing our economy?

**The ACTING SPEAKER:** Extension granted.

[Member’s time extended.]

**Mr S.K. L’ESTRANGE:** You kept me in suspense, Mr Acting Speaker.

Where is that effort? It is critically important that the state has a plan to grow jobs. There was no better example of a bit of spin in that first year than the ridiculous local jobs bill that the Premier put out a media release for. Do members remember that one? The Premier came in saying, “I’m creating this jobs bill so that only Western Australians will get jobs on state government projects.” Again, he was trying to hoodwink the Western Australian people into believing that he could do something with that type of bill, when we knew that under the Australia–New Zealand agreement that that bill would not and could not stand up. We knew that a key definition that had to be in that bill, which we found and which we told him about during consideration in detail, was that a “local” still meant any person from any state in Australia and New Zealand. That is what a “local employee” means under the definition of the bill in which the Premier went out saying, “This is it. We’ve created a bill for jobs for Western Australians—that’s it!” But the piece of legislation itself had that definition in it. The government could push that big media machine to get it out in *The West Australian* or *The Sunday Times* or the nightly news. It could get a headline, but the results do not float because it is all spin. There is no substance to it, and that is what the people are starting to wake up to.

I know that people on the government bench are concerned, because it does not take a huge amount nowadays in these political times for people to change their mind about a government. We have seen it happen around the globe. If people think they will not succeed under the government they have, they will change their vote at the ballot box. The government knows that and we know that. We have seen several examples of that occur over east, and it has come close to happening over here. That is what will happen in March 2021. Each of us on this side of the chamber will hold the government to account on the one thing the government has failed on—the economy. Then we will



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hold it to account, as we have been doing, on the bungles, muck-ups and backflips that have occurred in the various portfolios. We will continue to show the people of Western Australia that the government is not organised and has not done its homework. Another example of that is the Labor Party went into the 2017 election campaign saying it would build an inner-city college. Remember that? It wanted to build it in Northbridge where parents could not park and the children would have to flood out onto the streets. If children who had music lessons rolled out at 5.30 pm in winter, it would be pretty dark. Parents of year 7s whose children were 12 or 13 did not want their children rolling on to the streets of Northbridge. That was a real concern, but the government said no. It knew it had land elsewhere that it could have used, including at City Beach in my electorate, but the government said that it would not touch that. It realised it had a problem on its hands and so it repurposed Perth Modern School as a general intake school. The government said it would build an academic excellence school somewhere else in a high-rise building but there was a backlash to that. It was as though the government spent a weekend whiteboarding and it decided to build the school on the old Subiaco Oval site, and away it went. That is the level of detail the government went to in order to address the need for another high school because of the increase in demand, particularly in the western suburbs. I reckon the government had a weekend of ideas and whiteboarding and decided that is what it would do. The department then had to run around and quickly make it work. The government cut the ribbon on Bob Hawke College last week or the week before and claimed a great victory: "Look at Bob Hawke College." However, the people do not forget how much bungling and nonsense and how many backflips went on over that situation and they will hold the government accountable. I think sometimes the McGowan Labor government treats people like they are silly.

We have talked in this place on various amendments to the Premier's Statement about a lot of the projects the government has opened that have been ours. The government has not done or opened anything new or of any substance. One thing the shadow Treasurer pointed out earlier was that there are smoke and mirrors attached to the jobs figures that the government has put out. An article by Josh Zimmerman in *The West Australian* of 2 September 2019 titled "Half of new jobs in-house" states —

Premier Mark McGowan promised to create 50,000 new jobs ahead of the 2017 election, before upping that pledge to 150,000 in February.

Now, research from KPMG has found that while public sector employees comprise just 14 per cent of the WA workforce, they have been responsible for 59 per cent of all employment growth over the past two years.

My takeaway from that is that the government is fabricating jobs to try to push up the statistics. However, it is failing to fundamentally address aggregate demand in the local economy. Most of the supply side is provided by the private sector, which looks at the marginal efficiency of capital return before it makes any investment. With consumer demand being down, the private sector will not invest. The government is putting almost everything on supply-side economics, which is almost non-existent because the government has not done anything about aggregate demand. Those who recall their economics studies will know that the components of aggregate demand are consumer spending, investment spending, government spending and net exports. It is pretty simple, but the government is not doing anything about it. As I said earlier, on the net export front, the government might attract visitors to the state on the one hand but it does not provide them with anything at this end to hold on to in order for the state to do well. Addressing aggregate demand is critically important. As the Leader of the Opposition pointed out in her speech, there is no better example of that than the chief economist of the Chamber of Commerce and Industry of Western Australia and former economic adviser to the Treasurer who left the Treasurer's office and, within 24 hours, started bagging the government for its poor economic management. It was not us doing it; it was the government's senior economic adviser to the state Treasurer, who had been with him for some years. The Chamber of Commerce and Industry of Western Australia had been telling the government nonstop for some time that it had to address the demand-side economics of Western Australia. The government cannot completely rely on taxes and charges and windfalls from GST and iron ore royalties to get by, because that stuff ultimately does not end up working in the local economy. It might prop up our state final demand in terms of the aggregate figures for the economy of Western Australia, but it does not translate across to how it is impacting on household budgets. The government has done nothing about that. It has literally left that completely alone. That is a real shame, because it needs to do more.

To wrap up, for the next 12 to 14 months the Liberal opposition is going to hold the government to account on its failures with the economy of Western Australia. We will be relentless. The government now has to try to put in place measures that we both know cannot take effect for some time because of the J-curve—it will be in the later stages of this year at best, or early next year. The government has to hope that its sales pitch for a future beyond the March 2021 election will help it. We will hold the government to account for that throughout this year. We will hold it to account for its failures, as I did today when the Minister for Corrective Services said that an escapee is not a security breach. I mean, that is just ridiculous! We will hold the government to account on every portfolio

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in which mistakes are made, because the people of Western Australia deserve a government that actually does the job properly and will grow the economy of Western Australia for them.

**MS L.L. BAKER (Maylands — Deputy Speaker)** [6.37 pm]: I would like to start my address in reply to the Premier's Statement by drawing on the experience of thought leaders nominated by WA's primary industry sector. I will be referring to my notes. I apologise if that disturbs any members, but this is generally one of the opportunities when one can do that. There are a lot of statistics, which I am loath to get incorrect. Given that the last time I made a speech in this house on this subject I was horribly misquoted by the media, I will stick with the facts, as I always tend to do.

I am going to talk about food and how we can leverage innovation from our farming sector in Western Australia to sustainably feed the planet into the next century. It is a big and complex task and we have to explore challenges and opportunities so that we can respond in a way that cares for the planet and for the people, plants and animals on it. When I spoke in this place back in 2019 in this debate, some of my colleagues from the farming sector claimed that they had no knowledge of research completed in this field, so I have a bibliography that is three pages long and with some 30 references. If anybody does want it, it is here, and they are most welcome to get a copy of it. I know that I cannot lay it on the table, but it is here, so just ask me. This is about exploring the potential for the food and agribusiness sectors in Western Australia and seizing the opportunities that are emerging from forecast global food trends. I will deal with this in the context of climate change; challenges with land management; food security, traceability and provenance; food wastage; and biodiversity—and all in 20 minutes. I hope members are impressed!

I start by saying that jobs and job creation are central to the McGowan Labor government's commitment to Western Australia. We have heard a lot about that in members' speeches from various perspectives. I refer to a November 2019 report from the Food Alliance WA and Department of Primary Industries and Regional Development "Trust in Primary Production" project—this little creature that I am holding up. It is only a slight document, as members can see; a good doorstop. The report states that farming and fishing employs 183 600 people across WA. Furthermore, WA agribusiness is projected to grow 10 per cent faster than the national GDP. There are 8 400 farming businesses and 14 500 agriculture-related businesses in WA. According to an Australian Farm Institute—Farmers for Climate Action report in 2019, food consumption in Australia will be almost 90 per cent more than it was in 2000. According to the Western Australian Farmers Federation, Australian farmers are leaders in adapting to climate change. The federal Department of Foreign Affairs and Trade points out that Australia is exporting its innovative approach to agriculture.

Agribusiness in WA is responding to the significant economic, agricultural and environmental challenges presented by climate change. The minister responsible for the Department of Primary Industries and Regional Development, Hon Alannah MacTiernan, has shaped an agenda for the twenty-first century that is balanced and yet encourages innovation to meet future global realities.

In December 2019, Hon Alannah MacTiernan announced the go-ahead for human induced regeneration carbon farming on WA pastoral leases for the first time in this state's history. Carbon farming may include changing breeds of livestock, switching from set stock grazing to rotational grazing, adjusting stocking rates and spreading water points. Proponents can submit offset reports to the Clean Energy Regulator and claim Australian Carbon Credit Units. Human induced regeneration carbon farming provides a funding mechanism for regeneration of the degraded southern rangeland. The minister will champion carbon farming for the multiple benefits it holds for WA, including increased diversification of income from agriculture and improved rangeland environmental conditions.

The McGowan government has announced a \$10 million renewable hydrogen fund, which will provide grants to industry to support feasibility studies and pilot projects, as well as working on regulatory issues and standards. Renewable hydrogen is a low emissions technology for the future, used in transport, energy storage and as an industrial feedstock. Renewable hydrogen presents WA with opportunities to accelerate emissions reduction, diversify our economy, support innovation and create new long-term job opportunities, particularly in the regions.

In my speech today, I will be providing ideas for action on the opportunities for growth and innovation in the food and agribusiness sectors. I want to focus on opportunities arising from exponential growth in consumer demand for plant-based and other non-animal proteins. So that I am not misquoted or misinterpreted in the media, this is not about the demise of the animal protein sector. Both the plant and animal protein sectors have their challenges and growth opportunities. I advocate for sustainable and biodiverse practices in both sectors and note that global data shows that animal protein consumer demand will never disappear. Hopefully, everyone got that.

I want to explore an agri-industry sector that has shown recent high year-on-year growth potential—that is, non-animal protein-based food production. This sector has a range of elements, including plant-based proteins; fungi, such as mushrooms; algae; and laboratory-grown meat. I will be discussing the challenges and opportunities for plant-based food production in WA.

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In July 2019, KPMG Australia, in an article titled “The Australian food, planet, health challenge”, stated that food was the single strongest lever to optimise health and environmental sustainability.

In 2017, the Commonwealth Scientific and Industrial Research Organisation’s report “Food and Agribusiness: A Roadmap for unlocking value-adding growth opportunities for Australia”, identified five global trends that will impact on our food and agricultural sectors. They include severe climate events such as bushfires, flooding and rising seas levels; migration due to land degradation and desertification leading to conflicts for water, food and land resources; limited and decreasing quality of natural resources; and decreasing biodiversity.

An ageing global population interested in health and illness prevention, combined with the focus of millennials and gen Xers, provides a huge local and global market for clean, traceable and sustainable food products. Food safety and provenance is a growing concern among consumers. There is an increasing demand for more diverse food options that match individual food preferences and lifestyles. Urbanisation and a growing Asian middle class wanting provenance and traceability information will impact on food demand. Global market opportunities along interconnected food supply chains are increasing, as are the competition, supply and biosecurity shock risks. Increasing demand for food and the use of big data and more sophisticated e-commerce platforms are driving the creation of leaner, faster, more agile and low-waste value chains. The Intergovernmental Panel on Climate Change stated that “we ignore the interactions between climate change and the land at our peril”. Its report states —

**Human use directly affects more than 70% ... of the global, ice-free land surface ... Land also plays an important role in the climate system.**

...

Sustainable land management can contribute to reducing the negative impacts of multiple stressors, including climate change, on ecosystems and societies ...

A number of response options such as increased food productivity, dietary choices, food losses, and waste reduction can all reduce demand for land conversion, potentially freeing land and creating opportunities. In its key findings the IPCC provided a range of challenges to food production. It predicted that the magnitude and frequency of extreme weather events would disrupt the stability of food supply across the globe. Droughts will become more common and desertification is expected to increase, which could put increasing pressure on agricultural sectors, driving up prices and threatening food security. There is a critical need to diversify our food systems and build back biodiversity. Global food system emissions, including packaging and transport, contribute to 21 per cent and 37 per cent of human-generated greenhouse gas emissions. Supply chain management across the food chain has a high magnitude of impact on climate change mitigation. Between 25 and 30 per cent of food is wasted globally, including crop waste, transport and store loss, and personal waste. It identified that low greenhouse gas-emitting foods such as coarse grains, legumes, fruits and vegetables, and nuts and seeds as part of a balanced diet, as well as animal-sourced food that has been produced in a resilient and low GHG-emitting way, have a high potential to mitigate climate change and generate significant benefits.

After a two-year research and consultation process that included 50 leaders across 22 Australian organisations from industry and the not-for-profit and education sectors, the CSIRO’s “Australian National Outlook 2019” report identified a number of challenges that face our future prosperity, and two potential scenarios looking at 2060 as the destination point. The first scenario is the negative one. The report states —

**In *Slow Decline*, Australia drifts into the future. Economic growth, investment and education outcomes are all relatively weak. Australia’s economy is increasingly vulnerable to external shocks.**

Cities will sprawl outwards, there will be deepening social divides, housing affordability will remain a concern, and trust in institutions will remain low et cetera. The other scenario is the one I want to be with. The CSIRO report continues —

**... Australia reaches its full potential. Economic growth remains strong and inclusive as Australian companies use technology to move productivity towards the global frontier and create new globally competitive, export-facing industries.**

...

If the world cooperates to limit climate change to 2°C, Australia can go even further and reach ‘net zero’ emissions by 2050, driven by significant shifts in land use to carbon plantings.

That is what I want to be part of.

Although WA has a range of competitive advantages in the global food market, we have challenges. The 2017 CSIRO report “Food and Agribusiness” reports on these advantages and disadvantages. I paraphrase from the

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report, which outlines that we have a clean and green food reputation with high safety standards, but we need to address that, and that although the clean and green brand may be well regarded, it is not unique or well differentiated in the global market at the moment. We are close to a huge Asian market, have a diverse range of agro-ecological zones and are counter-seasonal to the Northern Hemisphere. The problems associated are high transport costs, a small and geographically dispersed domestic market and no strong connections between producers and processors. Australia has a strong agricultural science and research and development sector, which is hindered, though, by poor conversion to commercialisation and relatively low business expenditure on R&D. That fact was raised in a couple of reports done by political interns for me at the end of last year—one on climate change and the other on farmers' attitudes to food security. I will mention the authors later.

Our food agribusiness sector has a strong knowledge skills infrastructure base and is globally focused, but we are exposed to global fluctuations and complex regulatory agreements. We have a high proportion of small to medium-sized enterprises in the agribusiness sector. They are fast and agile and have high innovation potential, but it is difficult to generate scale as most are microsize. These five areas are relevant not only to the broader areas of food and agribusiness, but also specifically and strongly impact on the burgeoning Australian plant-based protein food industry.

In 2019, the federal government funded an industry-led organisation called Food Innovation Australia Ltd. It published projections regarding major demand and supply trends on protein consumption and opportunities for the Australian food and agriculture business. It analysed 50 types of protein—animal, fish, plant and non-traditional—across 11 markets. Its key findings included that in 2018 plant-based proteins accounted for 66 per cent of global consumption by humans and are likely to remain the dominant source of supply to 2025. I will say that again: plant-based protein will be the dominant source of protein for human consumption. Its analysis excluded protein used for animal feed. Plant-based protein is likely to remain the dominant source in volume terms, while meat-based protein will be the largest category by value. Drivers of growth in demand for global protein will shift from population growth to drivers such as the growing consumer class and urbanisation. Studies show that as income rises, people move towards more energy-dense foods. Urbanisation results in more people having greater access to a diverse range of food options. For instance, by 2030, China will become home to an estimated 65 per cent of the world's middle class. By 2025, the global projection for the highest value plant proteins are rice at \$20.6 billion, wheat at \$19.6 billion and beans at \$6.1 billion.

The 2019 CSIRO report provided economic analysis and market sizing for growth opportunities in the Australian food business. The value of alternative proteins like plants, fungi, algae and laboratory-grown meat within the domestic market in 2013 is projected to be \$4.1 billion, with an export market opportunity projected to earn \$2.5 billion—a total of \$6.6 billion to GDP by 2030 and a further \$5.4 billion in environmental savings. The market for alternative protein is expected to grow at more than double the rate of wholefood in the agribusiness sector. CSIRO stated that strong demand for alternative protein is expected to continue, with rising consumer preference for sustainable and ethical foods and strong population and income growth in export markets.

A Deloitte 2019 report titled “Plant-based alternatives: Driving industry M&A” states —

Despite the rise in the availability of plant-based alternative products, the industry is still in a relatively early stage of its lifecycle and therefore offers significant room for further growth. The industry's global reach is expected to be enhanced by new product development and rising consumer demand.

It also states —

The growth in the plant-based sector has largely been driven by the mainstream emergence of the ‘flexitarian’ consumer (people who still consume meat and dairy but seek to reduce the levels they consume), as well as increased numbers of vegetarians and vegans, as consumers respond to a combination of ethical, environmental and health concerns.

In 2019, a Deloitte Access Economics report commissioned by Food Frontier focused on sector-specific protein alternatives and the plant-based meat sector and its potential in Australia. The findings relating to opportunities for agribusiness are very interesting. The report states that the plant-based meat sector is currently worth \$US150 million in retail and \$US30 million in manufacturing, and supports 265 jobs.

[Member's time extended.]

**Ms L.L. BAKER:** It modelled three future scenarios on this industry segment, and the moderate growth model forecast a potential \$3 billion in retail sales. I say it again: the moderate growth forecast a potential \$3 billion in retail sales, \$1 billion in manufacturing and the creation of 6 000 jobs by 2030.

The Australian food and agribusiness industry already has many of the intellectual and infrastructure assets to become a plant protein powerhouse. While innovative startups will get a slice of the pie, many traditional meat

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producers are taking advantage of the opportunity right now. Tyson Foods was a former investor in Beyond Meat and will be rolling out its own plant-based food products in the near future. Danone acquired leading plant-based dairy alternative producer Alpro in the purchase of the Whitewave Foods Company in 2017, for a value in excess of £9 billion. This deal was Danone's largest acquisition since 2007 and offers a fast way to gain significant market share in the growing market. Other food giants such as Nestlé, Congara and Unilever have entered the market through acquiring these plant-based startups. They are repositioning themselves as protein providers.

Investment in plant-based food brands has exceeded \$US17 billion since 2009, with the majority occurring since 2017. Investments included US deals between investors and plant-based food companies, with 43 per cent of capital coming from venture capitalists. I am assuming that Bill Gates and others were involved in that, and I have spoken about that before in the house.

In May 2019, Beyond Meat's initial public offering on the NASDAQ resulted in a first-day stock closing price 163 per cent above its IPO, making it the best performing first-day IPO of a major US company in 20 years. The Australian plant-based meat sector is in an early and rapid stage of development, and witnessing the emergence of a number of new domestically produced products and brands. Several new Australian startups and plant-based meat manufacturers, including longstanding butchers, food manufacturers and award-winning chefs, predominantly in Victoria and New South Wales at the moment, are aiming to launch products in major retailers and food services in the coming year. These products will help address retailers' desire to stock quality, locally produced, new generation plant-based meats to satisfy growing consumer demand.

The report provides a telling challenge to us when it states that Australia faces an inflection point at which it may cede the opportunity to become a prime mover in the Asia-Pacific region to become increasingly competitive and globally-focused in the plant-based meat markets of the US and Europe. But by leveraging its geographic, intellectual and infrastructural assets, we have a chance to stake its claim. In September 2019, the CSIRO launched its plant-based meat venture, v2food. The venture is a partnership between CSIRO, Main Sequence Ventures—CSIRO's investment fund—and food retailer Competitive Foods Australia, Hungry Jacks. I did work for Hungry Jacks at one point in my youth.

**Mr Z.R.F. Kirkup** interjected.

**Ms L.L. BAKER:** We all did!

They will lead the construction of a \$20 million Australian-first facility for processing grain legumes into meat alternatives. A September 2019 article on the company's site stated that as it developed the product, it would assess the environmental impacts of different ingredients and make the most environmentally friendly choices. It states that the company still has a way to go in reducing v2food's environmental profile. For example, the processing technology required to make the meat alternatives does not yet exist in Australia, so it sourced a soy protein from offshore and combined this with other natural ingredients rich in carbohydrates. Within the next year, v2food will have the equipment to process local ingredients, which will go a long way towards providing a more sustainable alternative. For now, v2food is calling its product "meat made from plants". We're mapping out what the supply chain might look like for plant-based proteins in Australia and the opportunities for plant-based proteins. By harnessing innovation across science disciplines, food, agriculture, sustainability and nutrition, we can achieve a healthy, sustainable, locally grown product. I suspect I am going to run out of time. I have several more pages of facts and statistics on the subject, but what I want to say in summary is that there are a number of opportunities, and we are virtually on the cusp of what is an enormous growth industry. I see with concern that so many of our farmers are doing it so tough and trying to manage our land degradation, our lack of biodiversity and our changing climate, and I simply say that there are ways to move forward in a new market space that I think is incredibly exciting.

Let us look at some products. In the products area we could talk about developing traceable clean and green food supplies, knowing how to use blockchain technologies that create a timestamp ledger on a food's journey from paddock to plate, aiding safety, traceability and biosecurity. We can create biodiversity in the production cycle. We can continue with what farmers have already been telling us, which is trying to sustain land and water management practices. As I mentioned at the beginning of my speech, we can invest in soil regeneration and reforestation practices with some of the technologies that the minister has supported. Smaller producers should work together to increase economies of scale. We have access to skills, knowledge and expertise for this business, and we can meet global changes that are occurring. We have to start using more big data and technology to understand domestic and international markets, global trends, consumer demand and the market. We have to fine-tune Australia's clean and green brand targeted to specific markets so we are differentiated from other countries with similar branding. We have better branding that we can bring. We have better products that we should be selling. We can increase investment by public and private sectors within the industry in research and development and support innovation along the food supply chain. We can strengthen partnerships with local players in high-potential markets and take advantage of free trade deals in those markets. The Asia-Pacific market, particularly China and India, are key

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opportunities for Australia, specifically WA industry. Producers can explore business opportunities beyond production and partners across the food supply chain, with food processors, researchers, scientists and nutritionists. Using advanced nutrient extraction for food lifetime—extension technologies to complement the agriculture sector's need to get more out of foods and farm projects, we can address changes in our sector. We need to invest in relevant manufacturing processing infrastructure and find new growth opportunities to expand and take advantage of the growth in plant-based foods, and we need to decrease volume in packaging. For goodness sake, we have started that. We have brought in a container deposit scheme, but where is the incentive to stop walking into Woolies and Coles and seeing rows and rows of polystyrene containers with plastic on them with two figs or a potato wrapped up in them? That is totally unnecessary. We need to find a different way forward.

I know that many members understand the real impact of climate change and our ability to feed the planet, and that they want to be part of innovating the growth of a new food industry while continuing to support development of existing sustainable and biodiverse food and agricultural industries. The reports I have cited tonight identify a range of roles for all levels. Data and market intelligence can access and share intelligence around Australian food and agribusiness small to medium-sized enterprises so they can innovate and transform to meet changing local and global consumer demand. This can support industry. We need to invest more in science that enables R&D within the plant-based protein and other non-animal proteins sectors that could support both SMEs and large businesses along the supplier chain from farm to plate. We can invest and incentivise collaboration between stakeholders within the agribusiness sector to explore future research technologies. We can also help business leverage state and federal innovation support schemes, and it will be vital to deepen our collaborations across players in the value chain to harness these opportunities beyond food production. We need to make sure that we have a globally competitive and competent workforce to meet these demands. A really strong area of growth is in the provenance of food—that is, traceability, food security and safety. We need to encourage and invest in a whole supply chain to create traceable lean and green food. There is also a need to support traceability technology like blockchain, barcoding, image recognition and DNA. Food safety systems should be harmonised. We need to explore opportunities for capital investment along the supply chain. It could include investing in developing specific plant-based protein manufacturing sites. Would it not be great if Western Australia had the first plant-based manufacturing centre in Australia? That is just a wild idea that I will put out there. I hope that the minister is listening. I do not know that we have any plans to do that yet, but it would be great if we could help industry and also transition towards a circular economy, growing opportunities in organic waste conversion, sustainable packaging—those things need to attract more investment.

I finish by saying that this is not a tirade about who is right or who is best, what is good or what is bad; it is about evidence-based research from respected Australian and international organisations and agribusiness who have taken the time to research and model scenarios for the survival of this planet.

I finish with a quote from Dr Temple Grandin, who many members would recognise; many members probably would not know who she is. She is one of the world's leading experts on animal health and welfare, slaughterhouses and abattoirs.

**Mr Z.R.F. Kirkup:** I have read a piece of her work. She is great.

**Ms L.L. BAKER:** She is amazing, and also a leading speaker on autism, because she is profoundly autistic. She said a very simple thing —

The world needs different kinds of minds to work together.

Thank you.

Debate adjourned, on motion by **Mr D.A. Templeman (Leader of the House)**.

*House adjourned at 7.05 pm*

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