

CORONAVIRUS — SMALL BUSINESS — McGOWAN GOVERNMENT

Matter of Public Interest

THE SPEAKER (Mr P.B. Watson) informed the Assembly that he was in receipt within the prescribed time of a letter from the member for Bateman seeking to debate a matter of public interest.

[In compliance with standing orders, at least five members rose in their places.]

MR D.C. NALDER (Bateman) [2.59 pm]: I move —

That this house condemns the McGowan Labor government's failure to properly support small businesses during the COVID-19 crisis.

Mr Speaker —

Several members interjected.

The SPEAKER: Members, I want to hear this in silence, please.

Mr D.C. NALDER: Let me remind members that prior to the COVID-19 outbreak, Western Australian small businesses were already struggling, with many on their knees because of government mismanagement and poor policy. Business investment fell seven per cent in 2018–19, continuing a six-year decline in which each year was worse than the one before. Construction work also continued to decline under the McGowan government. Our retail sector remained stagnant, growing only three per cent in three years. As a direct result, the vacancy rate for buildings in Perth's CBD is the worst in the nation, with almost 20 per cent of stores empty.

The Chamber of Commerce and Industry of Western Australia's chief economist, Aaron Morey, summed up the state of Western Australia's domestic economy in January 2020 by stating that it was trapped in "survival mode", in which businesses were hesitant to invest and take risks. Sadly, in the 12 months from March 2019, 850 Western Australian businesses went bankrupt. Meanwhile, in the six months prior to the pandemic, Western Australia's unemployment rate averaged 5.6 per cent, which was well above the 5.2 per cent national average. This equated to an average of 80 500 unemployed Western Australians every month for the six months from August 2019 to February 2020.

What has the McGowan government done to support small businesses during the COVID-19 pandemic and help their recovery? The health crisis is now a jobs crisis. The latest Australian Bureau of Statistics figures show that in April, 62 000 people lost their jobs and 200 000 people in Western Australia were underemployed. Struggling small businesses have been left confused. There has been no community transmission of the virus, so the government has started to roll out measures to open up the state, but not with a lot of logic. The government said it was safe to have an unlimited number of people on public transport, but no more than 20 people in a restaurant or bar. This is when we witnessed that it was safe for people to have a meal and a drink at a bar, but not a drink on its own. This is when we heard the logic that it was safe to go to a hair salon but not to a beauty salon. Where is the health advice about why all other states can open their borders but Western Australia must remain closed? Small businesses have been left hurting and confused.

I wish to raise what we heard on the weekend regarding school camps. We were advised that it is safe for our children to commingle at school but not to commingle at a school camp. Like every member in this chamber, I go to numerous year 6 graduations and the most prominent memory for the students leaving school is their school camp. It gets more confusing for the school camp industry. It has been told the government is following health advice. It is fascinating that the health advice, according to the Premier, is that we can now have groups of up to 100 people. However, state schools are relying on a national health standard and the number of students who can attend school camps is restricted to 25 per cent capacity. In a school camp with 100 beds, only 25 of them can be filled. That is not economically viable. What makes it worse is that Catholic Education Western Australia applies the rule allowing groups of 100 people. For a school camp business with 100 beds, 100 students are allowed to attend through the Catholic education system, and that is deemed to be safe. However, for the state education system, only 25 students would be allowed for the camp to be deemed safe. I call out the government for creating confusing rules for industry and business. Government members talk about requiring a safe environment and following the best possible health advice. I am saying that this is questionable. Why is it safe for 100 Catholic school children to be at a school camp, but for only 25 children in the state education system? It gets even worse. When the school camp industry rings the COVID hotline, it acknowledges the issue but states that it is a decision for the Minister for Health and tells them to raise it with him. When I speak to the Minister for Health, he says he needs to speak to the Minister for Education and Training. For goodness sake; this industry is trying to survive but the state government is creating a confusing environment that does not allow it to operate effectively. The logic the government is applying does not make sense.

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According to the Chamber of Commerce and Industry of Western Australia's business confidence survey, WA business confidence plunged to a three-year low in the March quarter, with almost all Western Australian businesses—91 per cent—currently affected or expecting to be affected by the COVID-19 outbreak. Also, six out of seven WA businesses, or 86 per cent, expect the economy to worsen over the next three months. WA has about 226 000 small businesses, which represents more than 96 per cent of all businesses in our state. More than 28 650 tourism businesses, many of them small businesses, were forced to shut their doors and stand down staff on 22 March. However, the majority of businesses are not eligible for state government support, with many of the government's big stimulus announcements more smoke and mirrors than relief and support for businesses that are hurting.

Regarding rental relief, we have to look only at yesterday's newspaper to see that although the government has trumpeted a \$30 million relief program, only 17 people qualified, for a total payment of \$25 000. Government members are out there spruiking all these programs for business and government stimulus, but if we look at them, it is questionable how much the government is following through.

I will look at some of the state government's announcements. On 16 March, the government announced payroll tax measures to assist businesses impacted by COVID-19. To qualify for assistance, businesses needed a payroll of more than \$1 million per annum. As stated in the media release by the Minister for Small Business, the measure would help only 10 700 small to medium-sized businesses, which equates to 4.7 per cent of Western Australia's small businesses. That is all the government was looking to support with this measure. Sole traders and small businesses with up to a \$1 million payroll were absolutely forgotten. In other states and territories, small businesses and tourism operators that did not benefit from payroll tax relief were supported through other grants. In South Australia, tourism operators received \$10 000 grants if they were highly impacted businesses that turned over at least \$75 000 and had a payroll of less than \$650 000. On 13 May, an announcement was made that in Western Australia, just 1 600 tourism businesses—or seven per cent of small businesses—benefited from a grant of \$6 500. A one-off \$2 500 WA small business tariff offset was paid to businesses that consume less than 50 megawatts hours of power per annum. There is a small bar in my electorate. Because of its fridges, it uses over 50 megawatts. It cannot open and has not been able to have people in it; it has just started now. That business did not qualify for any relief because of the fridges, which consume more than 50 megawatts of power. That might sound like a lot to some people, but a small bar uses more than that amount of power and does not qualify for the offset. No benefit flowed through to that business.

The federal government's announcement last week that it would support an international student pilot program in the eastern states is another missed opportunity by the state government to support our local economy. The international student industry is the fourth-largest industry in Australia. It injects about \$2 billion into Western Australia's economy. Last year, it contributed \$37.5 billion to the national economy. If Western Australia had its population share, it would provide in excess of \$3.5 billion a year to the domestic economy.

There is also the issue of closed borders. While the rest of the states open their borders—South Australia from midnight last night—Western Australia remains closed. It begs the question: where is the state government's road map? The issue is not that the borders have been closed; it is about what is required for the borders to open. We can see that we have more than flattened the curve in Western Australia and around Australia. Our question is not about why the borders were closed. If it is a health and safety issue, following the best possible health advice, what is required for the borders to open in the future? The government is focused on the health and safety of Western Australians and we applaud that; we all want that. But we have to walk and chew gum. We have to protect Western Australia whilst, at the same time, planning to open the economy. What is the plan? What is required for our borders to open? That is not clear and we need more information.

The issue of international students is the same. We are not saying we should open the borders to bring in international students, but other states are trying to keep their citizens safe whilst accommodating international students. They could be kept in quarantine for an extra-long period. Whatever the process, what do we need to do to keep us safe? International students are the fourth-largest industry in Australia. They contribute significantly to our domestic economy and we want the government to think through how we can make it work, whilst keeping Western Australia safe.

That is not happening. The Labor government has failed to properly support small businesses during the COVID-19 crisis and failed to provide a road map or an explanation of when we will open our state borders.

MS M.J. DAVIES (Central Wheatbelt — Leader of the Nationals WA) [3.09 pm]: I am very pleased to stand and support the motion that has been moved by the opposition today. The Nationals WA are in full agreement that this government has stopped listening to the small businesses that have been impacted by COVID-19. I think the government has gone from crisis management to election mode in one fell swoop. In the last couple of weeks, we have seen it move from "We're here to help" to rolling out the announcements. We have seen the funds designed to support businesses and individuals through the COVID crisis left by the wayside.

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The Minister for Tourism; Small Business responded to a question about tourism grants in an article that was published a couple of days ago. His answer was to focus on the future and not worry about those grants, and that they were for another time. In my experience, people need the most assistance in the months and potentially years after a crisis occurs. There is still far more pain to come. No matter what the government would like to think, business as usual is not going to return in any real sense. I believe the government genuinely offered the supports and grants, but its offer becomes disingenuous if those supports do not actually hit the ground—if we cannot see the money leaving the government coffers. We have asked questions in the Legislative Council over the last week or so to show that there is an undersubscription or underutilisation of those grants that are there to support small businesses through this time.

There is very real pain out there. During question time, I was disturbed to hear a minister tell us to list the businesses that are under pressure. If we were to list all the businesses that are under pressure, we would be here all day, and I do not have that much time. I can tell members that despite the intrastate borders being lifted, there is still a great deal of distress in regional Western Australia, particularly for those people who are running businesses in the north of the state, because there is still a degree of nervousness about people moving around our state. People cannot move freely around the state. Over the last couple of days, I have been trying to get out, as have government ministers, to visit regional parts of the state, and the flight schedules are fairly challenging. It is very difficult for someone who does not have a government jet to get out and visit those places. Flights are not back to full force and will not be for some time, and that restricts not only those businesses that rely on being able to bring people into those communities, but also the communities that are on the ground and want to be able to move around the state.

The government really needs to make sure that we maximise the support that is there. That means making sure that there is some flexibility in the grants that are being issued. The tourism grants were undersubscribed. We had to drag the Minister for Water kicking and screaming to put a halt on the toilet tax. He did so reluctantly; I do not know whether that was because it was a suggestion from somebody on this side, but it was such a relief for so many people when the government finally agreed it was a good idea. Why could it not have done that right at the beginning when people were saying that they needed that relief now? It is disingenuous.

The challenge is that many small businesses are now facing the cliff of JobKeeper coming to an end. Although that has been a wonderful support mechanism, for many businesses there may well be further job losses at that time, which will mean that people will have less money in their pockets and will be spending less, and we will see a flow-on impact. That is why any support that comes from the state government needs to be maximised.

Not one single dollar from the \$100 million commercial tenancies assistance package has been used to this point. That was raised in the Legislative Council in question time this week. There was also an undersubscription of the tourism support package because the qualifications were too tight, which meant that many businesses fell through the cracks and could not apply in the first instance. There was some really good coverage in the media on this the other day. I refer to the article in which the Minister for Tourism made his comments about focusing on the future. The minister said —

“I think people need to focus on getting back to business [because] that’s what business does well and focus less on whether or not there’s some Government handout coming.”

Does the minister think that any of those businesses actually want to put their hand out? They do not have a choice. So many of them are falling through the cracks. In regional Western Australia, electricity and water prices are higher and businesses are impacted by an inability to get people moving around the state. That is why there needs to be continued and real support for these businesses.

I want to finish by focusing very briefly on our regional chambers of commerce. The chambers of commerce have done an amazing job in providing support for their members, and they have worked tirelessly, many with very limited resources. I would like the government to consider providing additional support to these chambers as they go about providing this ongoing support and linking in to government and other programs as we move through this recovery phase. They are trusted organisations that understand their local economies. They have been working under enormous pressure and I suspect will continue to do so. As I said at the beginning, from experience, it is the months and years after a crisis that people and businesses need to have access to support, and those local and regional chambers of commerce are doing it pretty tough at the moment. That is the experience that I have heard about when travelling around the regions in the last two weeks. They have been really happy to help—they have stepped up and linked in with government—but they would really appreciate some additional support so that they can focus on the future and get their businesses to think about what a post-COVID world looks like, particularly in regional Western Australia, where some of the restrictions are going to be exacerbated because of the distance from population centres and the rest of the nation.

MRS A.K. HAYDEN (Darling Range) [3.16 pm]: I am very proud to stand here and support the motion before us that this house condemns the McGowan Labor government’s failure to properly support small business during

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the COVID crisis. I have to start by referring to the comments that were made during question time. The Leader of the Nationals WA highlighted one or two of them, but it was absolutely bizarre to sit here and listen to the Premier of Western Australia stand up and say that most people in the tourism industry are in hospitality, and that we are looking after them by opening pubs, allowing people in to have dinner and allowing them to have more people than they were before. The Premier is wrong: most tourism operators are not in hospitality. That is a section of our tourism industry; it is not the majority of our tourism industry. Hospitality does not make up the work of every tourism operator around Western Australia. The fact that that comment was made during question time just highlights how little this government understands tourism.

We also heard the Premier say that he is sympathetic and he is doing his best. I am sorry, but sympathy is not enough. He may be doing his best, but obviously his best is not good enough. The small businesses and tourism operators that are allowed to open are working their fingers to the bone for minimal income because they are restricted, but the majority of businesses that are unable to open because of the restrictions that still apply are not in hospitality. They are our events industry, our adventure tourism outback experiences, our people in regional WA who do not have people coming through the doors and our caravan park operators. Those park operators rang me over the weekend to tell me that they would normally have 100 caravans in their parks that night. Do members know how many caravans they had that night? They had two caravans checked in. This is not just one caravan park; this was three separate caravan park operators —

Mr P. Papalia: They all rang you, did they?

Mrs A.K. HAYDEN: They texted me; they messaged me.

Mr P. Papalia: You would never stretch the truth, would you?

Mrs A.K. HAYDEN: I can show the minister my phone if he likes. Does the minister think I am stretching the truth? Does he think these tourism operator stories are not true? They do not want me to tell their names. I was not going to bring this up, but because the minister is so rude and arrogant, I am going to highlight these tourism operators. I have received text messages from Twitter—I did not realise that we could text in Twitter, but we can—and messages through Facebook Messenger and emails from people saying, “We are too scared for you to list our names in Parliament because we are being threatened and intimidated.” They are being told, “If you keep going to the opposition or the media, when you apply for assistance, we will remember you.” These businesses have been told that.

Mr P. Papalia interjected.

Mrs A.K. HAYDEN: Excuse me, minister; you need to listen for a change. You are not listening.

Mr P. Papalia interjected.

Point of Order

Mr D.T. REDMAN: Madam Acting Speaker, the member is desperately trying to get her agenda out in the short time available, under heavy attack from the minister. I seek your support to allow her to make her argument.

The ACTING SPEAKER (Ms J.M. Freeman): Minister, you have made your point.

Mr P. Papalia interjected.

The ACTING SPEAKER: Minister, I am on my feet. If you continue, I will call you. The member has the floor. You will have the opportunity to speak.

Several members interjected.

The ACTING SPEAKER: I said that if people interrupted again, I would call them. I call the member for Bunbury and the Minister for Tourism.

Debate Resumed

Mrs A.K. HAYDEN: Thank you, Madam Acting Speaker. I will return to the comments I was just making. I was going to talk to the minister off the record about the comments that have been made. I do not believe they are coming from him; I would never dream that a minister would say those things. I wanted to tell him that these comments are being made and the industry is upset. Tourism operators are too scared to come forward and they are too scared to have their names announced. I am more than happy to sit with the minister and show him the proof from all these businesses.

Mr P. Papalia interjected.

The ACTING SPEAKER: Enough, minister!

Mrs A.K. HAYDEN: I am more than happy to sit down with the minister and show him the proof. It saddens me that the minister and government members do not understand and are not listening to how desperate these businesses and tourism operators are. The fact that they are saying that we are coming into this place and making up stories

Extract from Hansard

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shows that they are not listening. The Labor Party promised transparency at the last election. It promised that it would represent the people and stand up for them. The promises it made to the tourism industry when it was flying high and was the poster boy have all been broken and thrown to the side because the government is focused on looking after itself. The Premier is more focused on his popularity contest. He is making decisions based on his popularity instead of the statistics that are killing our small businesses. Let us go back to that. Why does 37 per cent of our business community believe that it is not able to cope without the borders being opened? It is simple. The domestic visitor—the person within Western Australia who travels around and enjoys our wonderful state—spends an average of only \$474 on that visit. Interstate visitors spend \$1 048 and international visitors spend \$2 309 on average. When we take away our international \$2 309 value per visit and the interstate \$1 048 value per visit, we leave these operators with only \$474 from the local community to come and visit. That is why they are telling the minister that they cannot operate with the border closed. They cannot operate because 80 per cent of their business comes from interstate and international visitors.

The WA community cannot support and back up our tourism and small businesses alone. That is what this government is doing—it is leaving it to the WA community to fill in the gaps and support our small businesses and tourism operators. Why can our community not back it up? We do not have the population. Let us remember that pre-COVID-19, the cost of living went up by \$850 a year under this government. That impacted our businesses and tourism pre-COVID-19 because Western Australians could not afford to go out and spend money. Now this government is saying, “Oh, nothing to see here; everything’s all fine. WA community, out you get—go and support our businesses, because we are not.” Why is the government not doing that? It is because it is too busy looking after the big end of town. It is too busy looking after its bank account so it can go to the election and splash out on seats it wants to retain, because it knows it is going to lose them. It is saving its money for a rainy day—for the Labor Party in the upcoming election—and ignoring small businesses in the tourism sector. That is what it is doing.

We need a plan, like those that every other state has put together—this state is just lagging behind as usual—and we need to show that plan and direction to our businesses. Our tourism sector needs a holiday-maker plan. The Prime Minister, who led this country through this crisis, created a job-seeker plan and a job-creator plan. The WA government’s job is to devise a holiday-maker plan. It needs to do something to enable Western Australians to go out and support the businesses that it is not supporting. It has not done that. It has not set up simple plans like those that have been devised in Queensland and the Northern Territory. We have our “roadmap to recovery”, but a time line is missing. Why is a time line important to our tourism sector? It is important because tourism operators need people to book in advance. When the Premier lifted the intrastate borders in regional WA and when he lifted the restrictions surrounding the Kimberley border, there was no lead time; there was no campaign to tell the operators, “You will be opening in four or five days.” He did not tell the WA community, “You will be able to travel up to Broome in four or five days.” There was no lead time and no preparation or campaign to enable the operators of businesses to be ready or the WA community to be ready to go out and explore our backyard. The government is asking the WA community to hop to it and support businesses, but it will not give it any time to prepare and it will not give any assistance to do it.

The stage 3 restrictions will come into force in Queensland on 10 July. A date has been given, of course subject to medical advice. That date gives businesses and the community time to prepare. The Northern Territory had a similar road map, and also provided a date and time frame. The WA road map says, “Phase 4: to be determined.” It does not give a time frame. If the government really wanted to support small businesses in the tourism sector, it could help them by saying when it will allow them to get back to work so that they could start taking bookings. No-one will hop on a plane to visit Broome two hours after an announcement is made. No-one had the car ready and the kids in the back when the government decided to let people go to Lancelin. It needed to provide a time frame and a plan and it simply did not do it. I am asking the government to not make the same mistake again. It should provide a date for when it will open the border. If that cannot be done for medical purposes, that is fine; it should add a clause saying, “Subject to medical advice, but if everything goes well, we will open our state’s hard border on this date.” That would provide certainty for our industry and for businesses and allow people to get back on track. They want to go back to work but the minister is not allowing them to do that. The pathetic assistance that it has offered small businesses relates to the size of their payroll. I am sorry, but small businesses that do not pay \$1 million in payroll got zip. So many businesses were unable to get the \$2 500 electricity rebate. The grant for tourism recovery was appalling. An amount of \$6 500 was provided to 1 600 tourism operators. There are over 30 000 tourism operators and the government is going to help only 1 600 of them. A number of tourism operators were devastated by this news. They thought that they had hope. They thought that the government had their back but it did not; the government simply let them down.

As was highlighted by the member for Bateman, we need to understand that 850 businesses went bankrupt in the 12 months up to March. I am scared to see what the figure will be in the next report in 2021. I will be very frightened to see that figure. We are hearing about businesses that are shutting their doors and not opening. When businesses shut their doors, they are unable to employ people. The unemployment rate is already up to six per cent. Over

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80 000 people were already unemployed. A total of 200 000 people were already underemployed. What will the figures be? When we get the next report, businesses will be shut, jobs will be lost and the government will still be saying, "It is up to you to support our small businesses because we are not going to do it."

I have one minute left. I received an email from someone who was happy for me to share it. I will show the minister this afterwards as well, because I think it is absolutely devastating. They wrote to the minister and the Premier and then they contacted the Small Business Development Corporation. They were told to apply for the \$1 million payroll grant, but they did not qualify for it, so they did not get it. They were told to apply for the electricity grant, but when they went through it, they were told that it did not apply to them and they could not get it. What about the tourism grant? They went through that, but they could not get that either. Does the minister know what they were told by the SBDC at the end? Finally, the person at the SBDC said that maybe they should get another job, as the owner of an ice-cream shop had come in the other day and he is now a courier driver. This is the advice that the SBDC is giving our tourism operators.

MRS L.M. O'MALLEY (Bicton) [3.30 pm]: It is not business as usual for small business. It cannot be, because these are unusual times. If the mechanisms of support are in place, where there is adversity, there will also be hope; and, if access to that support is facilitated by innovative thinking and quick action, challenge can become opportunity. It is this type of thinking and action by the Minister for Small Business and the McGowan Labor government that is helping small businesses in Bicton and beyond to not only survive, but also, in some instances, thrive through accessing new technologies to help them adapt and diversify.

Although we acknowledge that, despite this support, some small businesses may not survive the COVID-19 pandemic, it is tough running a small business at the best of times. I would like to highlight that new small businesses are opening their doors because of the work of this government and every person in this state to do what is needed, despite the difficulties to get WA through the crisis and on the road to recovery. Members will not see small business owners sitting around whinging about how hard things are, unlike some. They just get on with it. They do not want a handout; they just want a hand up. Small business owners want opportunity and access. Businesses like Attadale Travel and business owners like Christine are actively lobbying and trying to access as much support as she and others like her in that particularly hard-hit industry can possibly achieve. Business owners like Christine are speaking up and speaking out, and the Minister for Small Business is listening and is seeking ways to adapt the support that is currently available. As a government, we are actively moving on what is very much a changing feast. As issues arise, we will act and we will adapt to support.

Small business owners are adaptive and creative. I know this because I am married to one of them. Our family business has survived and thrived, and survived and thrived again, for over 15 years, and next month we will open a second retail-based store in the middle of the COVID-19 pandemic. I know it is tough. I know it because I live it. But I will not stand here and listen to members opposite paint a totally dark and gloomy picture for small business, because it is just not true.

I will finish with a quote from another new small business in Bicton. According to my notes, Ashleigh Bourne, who has just opened the Hair Hive in Palmyra, says —

This salon is the result of years of planning and saving and dreaming. I know I have a hell of a bumpy ride in the next 6 months but am so happy to have the opportunity to do it! So my advice is don't throw away your dream business just because it seems out of reach. Keep planning, saving and designing and one day the prime opportunity may just present itself in the most unlikely of times.

MR D.T. PUNCH (Bunbury) [3.33 pm]: It is very clear that this opposition has forgotten that we are in a pandemic. It is probably the most serious issue this state has faced, certainly in my memory and probably since the Second World War. A few months ago when the Premier stood and outlined the issues, we thought we were going to lose a lot of people in this state. Our hospitals were struggling to mobilise and cope with the projected influx of people if we got it wrong, and that led to the whole issue of flattening the curve. As many members in this chamber would know, when they stand in the main street of their town and look at a row of empty shops, it is devastating. It is devastating for us, as their representatives, and it is devastating for the shop owners. I have spoken to a lot of retailers in my electorate and all of them, without exception, were right behind the notion that we had to flatten the curve. They were absolutely there for it and absolutely behind what this government needed to do. That is what this government succeeded in doing—we flattened that curve far quicker than we anticipated. Flattening the curve was absolutely the best thing we could have done for our economy, for people in work, for jobs and for small business. We have achieved that in an environment in which, globally, people are still dying. I still have in my mind the images of the mass burials in New York. Is that what we want for Western Australia?

A member interjected.

The ACTING SPEAKER (Ms J.M. Freeman): Member for Dawesville, you need to be in your seat if you say anything, and interjections are unparliamentary. I now have put that on record and I call you for the first time.

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Mr D.T. PUNCH: When the member for Dawesville first entered this chamber, I really thought he was a man of his word, but all I have found is that he is a man of words. There is nothing else there.

As I was saying, the best strategy that this government has adopted is flattening the curve and creating the environment for businesses and jobs to recover. That is what we have been working on. It may not be the pathway that the opposition would prefer, but certainly the feedback I am getting in my electorate is that people support it. The biggest supporters are the people of Western Australia. We saw that in today's headline "WA leads in spending". Consumer spending in Western Australia is up by 10 per cent year on year. People in Western Australia are getting out and supporting Western Australian businesses. They are doing that because we have been able to move through the restrictions processes so rapidly that we have maximised the opportunities for small businesses at this time, but we have done that based on Western Australian medical advice. We have proceeded cautiously and carefully, because I know that people in my electorate are still frightened of a second wave. A second wave is the worst thing we could have.

I want to talk very briefly about my main street, because I had that fear about where we were heading. I do not think anybody could have predicted where we were heading two or three months ago. It is good to know that opposition members are listening to these words. It is so good that they are interested—chattering in the corner! I want to talk about the people who have stood tall. The Rose Hotel and Motel is one of the great pubs with a great history in Bunbury. It immediately went to online trading. It moved its apps and got it through online trading. It did very well as a consequence. I know that people who had not got into the takeaway scene supported that fully. Florist Gump moved into online trading. It started delivering flowers ordered online. It competed with the big operators in the eastern states and carved out a new niche for itself. I have spoken before about Mojo's restaurant. It was able to mobilise local wineries and brewers and market a Buy Local product; it spearheaded Buy Local. These businesses are backing Bunbury and Western Australia, just like the people of Western Australia are backing Western Australia. Opposition members are not backing Western Australia; all they are interested in is petty pointscoreing.

A member interjected.

The ACTING SPEAKER: Member, you are not in your seat. I just called another member to order for it, so, for consistency, member for Mount Lawley, you are now on record as being called to order for not being in your seat.

Mr D.T. PUNCH: Commercial lease operators are a good sign of what is happening with small business. I do not think Bunbury is very different from many other regional communities. I talked to the commercial leasing agents today and they said to me that what they are seeing is encouraging. Inquiry rates are up and the number of signed leases is up, and they are for small businesses. It is about people having a go, coming back into the market and, as the member for Bicton said, opening up new retail opportunities that can be supported by Western Australians, who are getting behind small businesses. About 150 businesses have worked through the tenancy agreement support process and the WA code of conduct. They have worked collectively, through an active process with landlords, leasing agents and tenants, and arrived at an arrangement so that small businesses will have the best opportunity to succeed.

If we go around regional Western Australia and the metropolitan area, we will find those stories. Equally, we will find businesses that are doing it tough. This is the worst crisis we have been in and we know that businesses have been doing it tough. I have seen the long list of supports that this government has put in place to support small businesses generally, but some small businesses have fallen through the cracks. Part of being nimble and able to respond is being able to see things unfold and work out the best way to address those problems. The answer does not lie in only the government. The answer lies in the Western Australian community. They will get behind small business. They will support new businesses that emerge and they will take us forward into the future. I am backing Western Australia. I am backing our community to help see us through this and I am certainly backing small business in Bunbury.

MR P. PAPALIA (Warnbro — Minister for Small Business) [3.41 pm]: I thank all members for their contributions. This is a terribly challenging and confronting time for everyone in the nation and Western Australia, particularly those in small business. I have done scores of video conferences with many small businesses across the state. I begin every one of them with a couple of observations. Firstly, I say that in my view Australia has had one of the best responses in the world to COVID-19. There are three reasons for my observation. The first reason is our governance system. Every Australian should be very proud of our governance system. They need only compare Australia with other democratic federations around the world to see far less successful attempts at countering the COVID threat. The second reason lies in the leadership provided by the Prime Minister and his move towards the national cabinet. The Prime Minister and all Premiers and chief ministers have excelled. They have demonstrated exceptional leadership in the face of a threat the likes of which no-one alive on the planet has experienced before. That is the truth. I say that to all the businesspeople I meet virtually and in person. The third and the most significant reason for Western Australia's success is that Western Australia has had the most successful response to COVID in Australia. The greatest reason and contributing factor for our success as a nation, and particularly as a state, has been the willingness of Australians, in our case Western Australians, to sacrifice self-interest on behalf of the community

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and to seriously make sacrifices on behalf their neighbours and fellow citizens. That willingness has stood us apart and has contributed overwhelmingly to the success of the government's response. Governments cannot respond to such health crises and subsequent economic crises without that. These things can be addressed effectively only through collaboration with the population. Australians and Western Australians have been exceptional, except for perhaps the embarrassing moment around toilet paper. All other community responses have been exceptional.

I also say that small businesses in particular have made the greatest sacrifice within the community. They know that. They have watched the Premier say it many times. They have seen members who are or were small businesspeople confirm that the hardest decisions the government has had to make—or at least equal to some of the life and death-type decisions—are those that intentionally impede or damage small business activity. I am referring to those people who have had the courage to step out on their own to either establish or buy a business that will sustain themselves and their families, and in many cases employ other people. Harming that has been the worst thing that governments have had to do. The Western Australian government, from the Premier down—he grew up in a small business and he absolutely feels the pain that people have gone through—is determined to ensure that it provides the best possible response to COVID for small business.

The first priority is always people's health. Then on the advice of the Chief Health Officer of Western Australia and our health officials our priorities are based on establishing this economy as the most effective, the freest in the nation. We have done that now.

I must address a couple of the claims made by members on the other side. The member for Bateman suggested that every other state's border is open. That is just not true and the member for Bateman knows that that is not true. Only two states are without borders; they are Victoria and New South Wales. All other states' borders have remained closed. It is true that South Australia declared that it will open its interstate borders on 20 July—that is not this month. The Queensland government has mentioned three different dates, but it has most recently suggested that it will open its borders on 10 July, I think. Tasmania has not yet set a date, but I think it may have a date in mind. I believe that the Northern Territory has also mentioned a date. But no state other than New South Wales and Victoria has dropped its interstate borders.

Beyond that, as confirmed in response to the claim that we cannot open and we need to open for small business to thrive, it is undeniably true that a fully open economy is the best possible thing we could do. But, conversely, the worst possible thing we could do is to relinquish all the benefits we have achieved through our hard borders and other measures. That could result in outbreaks of COVID-19 in this state, which would decimate our economy again and throw us back to where we started. That is the worst possible thing we could do and, rightly, the Western Australian people understand that.

There is evidence of community transmission in Victoria in particular, and New South Wales is shutting schools. Both those states have evidence of community transmission. Western Australia does not have evidence of community transmission and has not since early April. That is a good thing. As a consequence, we have been able to move ahead. We have the freest hospitality sector in the country. We have reversed all the changes to and constraints on industry that had been made in the early days of responding to the COVID crisis. We have opened all the small businesses that were specifically shut by the directive of the emergency coordinator. Now, unlike in every other state, we have the two-square-metre rule and that has enabled a significantly larger number of people to congregate in hospitality outlets. Many tens of thousands more Western Australians are now able to go back to their employment. That is not all. The casino is not yet open as a hospitality outlet, but to my knowledge, most hospitality outlets are back in operation. I understand they are not making what they would prefer to be making, and in some cases their operations may be marginal, but they are far more operational and free to operate in a near-normal or new-normal environment than any other place in Australia. That is a good thing, and that is due to the government's response.

The member for Bateman referred to a small bar in his electorate. He said that it could not open, but then conceded that it has opened. I make one observation: that is the only small bar in the country, other than in the Northern Territory or Western Australia, that is open because of the four-square-metre rule. It is the four-square-metre rule that shut outlets.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: Firstly, it was shut and subsequently —

Mr D.C. Nalder interjected.

Mr P. PAPALIA: Member, firstly, it was shut and, subsequently, the four-square-metre rule prohibited that bar from opening when we first relieved the measures that had been imposed on closing hospitality outlets.

Finally, he has opened his bar because he can under the two-square-metre rule. If it were up to the Western Australian Liberals, we would not have small bars in Western Australia. When the Premier of Western Australia was the Minister for Racing and Gaming, he changed the law to enable small bars to open. Categorically, the conditions

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would have been worse under the previous government, member, but that aside, I am being a bit cheeky. It is true that the Premier has created a more liberal operating environment than anywhere else in the country other than the Northern Territory.

Mrs A.K. Hayden interjected.

The ACTING SPEAKER: Member for Darling Range!

Mr P. PAPALIA: I have to move on because I want to address the other contributions. The Leader of the Nationals WA rightly expressed the concern of small businesses about the potential termination of JobKeeper payments, and this is true everywhere we go. The JobKeeper response was brilliant. It was a great contribution by the federal government, and the elevation of JobSeeker payments to a more reasonable level was also a good thing—it was appalling before; it was not good at all. That has been necessary at this time and we can only hope that it will never go back to that sort of level when the current level of funding is ceased. The state government has nowhere near the revenue capacity of the federal government. There will never be a possibility, even with all the capacity of the federal government combined with all the capacity of the state government, that the state government will be able to replace lost revenue. That is not going to happen, and I say that to every small business owner I meet. It is impossible. All members know that, and the Leader of the Nationals WA has been a minister in government so she knows that too. What the federal government has done is just incredible. It has dedicated hundreds of billions of dollars towards responses. There is no way that we could match that or go anywhere near it. On behalf of the taxpayers of Western Australia and our citizens, we have had to harmonise what we do and identify the gaps that we can fill. In more recent times, because of our success in responding to COVID-19, we have had to respond more rapidly and move from sustaining survival to recovery and creating jobs, particularly in the second half of this financial year and the last quarter. Until about a week ago, there was a real threat that our housing industry would completely collapse in September. That is not going to happen now; I do not expect that at all.

With respect to JobKeeper payments—I think the member for Darling Range might have touched on this as well—members would no doubt have seen the angst and pain that travel agents are experiencing. On Monday, I met with about six travel agents from across electorates in the metropolitan area, including a representative from the member for Kalamunda's electorate, Christine from the member for Bicton's electorate and a representative from the member for Hillarys' electorate. I met with six people from across the industry and we had a really good meeting. I wanted to meet with them, as representatives of the industry, because there is no peak association for that industry. They have a really good network and they communicate very well on social media. I am hopeful that we have established a communication means by which we can distribute information rapidly. But that aside, we all met and they expressed their disappointment that they are not eligible for the WA tourism recovery program, which was the first grant. And I conceded that. The member for Darling Range talked about how many tens of thousands of tourism businesses there are. Tourism Research Australia claims that there are 30 000 businesses. As the Premier indicated, I think that figure incorporates all the hospitality businesses in WA, including every corner cafe. If we include the tourism operators involved in the day-to-day, nitty-gritty tourism activities, there would be some hospitality and accommodation providers, but it would include the sort of tourism providers with the content or product that the member talked about. In the end, we could not fund all the operators and give something to everyone. The impression around the country is that every small business in other states is getting a \$10 000 grant. That is not true at all because it is impossible.

This state has provided some responses, and other jurisdictions have provided different responses. We do not have a \$10 000 grant scheme for every small business in the state, but we have done a lot of other things. We have provided a \$2.5 billion response mostly focused on small business. South Australia has provided the largest response in terms of the number of small businesses receiving a \$10 000 grant; however, only 20 per cent of small businesses in that state received a grant. It is a lot, but, conversely, that state would not have provided the same things that we have provided in other fields.

Ms M.J. Davies interjected.

Mr P. PAPALIA: I am running out of time. I will take an interjection in a minute. The response varies across different jurisdictions. In Queensland, only 2.2 per cent of small businesses received a grant. I am very frank with the small business owners I meet. I tell them that there is no capacity to do that. Other states might announce a grants scheme in the same way that we have announced a tourism recovery grant, and those who are eligible can apply for it, but they will not all get it. When the member says that it is undersubscribed, some of the businesses that subscribed will be refused because they do not comply with the criteria or are unable to meet the obligations of that use of taxpayers' money, which is just a handout or a grant. The money is not coming back to government; it is not a loan. I would like the member to convey this to all the visitor centres that are not currently supported by their local government—I am not sure whether Denmark is one of them, but certainly Albany would not be eligible. Some of those that are not supported by local governments are eligible for the business recovery grant program, as are travel agents, even though, in the course of the meeting, I confirmed with them that 90 per cent of their business is taking

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Western Australians out of the state. Before COVID-19, I would never have been focused on trying to get Western Australians to leave the state. Rightly, as the Minister for Tourism for this state, I am focused entirely on getting people to come here. We have worked hard to get new direct flights to this state, so in our conversations with airlines to convince them to fly to Perth from places such as Japan, there is an element of benefit around the return flights.

I need to cover one other point on behalf of the Minister for Education and Training—I had forgotten about this; sorry. The member for Bateman made an observation about Catholic Education WA school camps. I am informed that camps are starting in July, but no schools have gone ahead with bookings. Catholic Education has instructed schools to ensure that the camp provider abides by WA Health COVID-19 guidelines. That means that the guidelines are the same as those that apply to boarding facilities.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: This is the national cabinet advice from the Australian Health Protection Principal Committee. This is not made up by the WA government—that one, about 25, is directly from the national cabinet.

Mr D.C. Nalder: That is the state one.

Mr P. PAPALIA: It is from Catholic Education. It has said, on behalf of the Minister for Education and Training, that schools should comply with the national directives. There is no additional opportunity for change. Catholic Education is hopeful that advice on school camps from the AHPPC will be amended in the near term, so it might change soon, but right now no-one should be striking out on their own.

Mr D.C. Nalder: Hang on! Western Australia is striking out on its own with borders.

Mr P. PAPALIA: I am talking about school health advice. I am talking directly to the member.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: I am not accepting an interjection. I have only three minutes left, Madam Acting Speaker, so I am not accepting anymore interjections.

The ACTING SPEAKER: The minister has the floor. Members, shush!

Mr P. PAPALIA: As of now, school camp operators must comply with the national cabinet advice from the AHPPC. The advice might change and become more liberal. There are inconsistencies, and I have said this many times. I think I have done this four times in the last month or two in response to pretty much the same motion each time. At the start it was “hurry up and shut everything” from the Nationals, and now it is “hurry up and open everything” from the entire opposition. The truth is there are inconsistencies across jurisdictions. There are inconsistencies in the health advice. Obviously, if a Chief Health Officer cares about the Western Australian environment, that Chief Health Officer will be advising that government about specific matters related to threats or benefits to the Western Australian community.

Mr D.C. Nalder interjected.

The ACTING SPEAKER: Member for Bateman!

Mr P. PAPALIA: The Chief Medical Officer of Australia is looking at the threat from outside and at how Australia as a totality is operating. If I asked the Chief Medical Officer of Australia right now whether there is community transmission in Victoria, he would say yes. If I asked him whether there is evidence of community transmission and whether they are shutting schools in New South Wales, he would say yes. If I asked him whether there is evidence of community transmission in Western Australia, I know what his answer would be—it would be no. Therefore, the Western Australian people understand that that border is protecting us from the greatest threat right now, which is community transmission from the east. I conclude by saying that until they fix their problem, it is a measure of benefit. The benefit resides with Western Australia not having to worry about community transmission.

Division

Question put and a division taken, the Acting Speaker (Ms J.M. Freeman) casting her vote with the noes, with the following result —

Ayes (17)

Mr I.C. Blayney
Mr V.A. Catania
Ms M.J. Davies
Mrs A.K. Hayden
Dr D.J. Honey

Mr P.A. Katsambanis
Mr Z.R.F. Kirkup
Mr S.K. L'Estrange
Mr R.S. Love
Mr W.R. Marmion

Ms L. Mettam
Dr M.D. Nahan
Mr D.C. Nalder
Mr K.M. O'Donnell
Mr D.T. Redman

Mr P.J. Rundle
Mr A. Krsticevic (*Teller*)

Extract from Hansard
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Speaker; Mr Dean Nalder; Ms Mia Davies; Mrs Alyssa Hayden; Mr Terry Redman; Mrs Lisa O'Malley; Mr Donald Punch; Mr Paul Papalia

Noes (32)

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

Pairs

Mrs L.M. Harvey	Mr D.J. Kelly
Mr J.E. McGrath	Ms R. Saffioti

Question thus negatived.