

APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2010–11 BILL 2010

Introduction and First Reading

Bill introduced, on motion by **Mr C.J. Barnett (Treasurer)**, and read a first time.

Explanatory memorandum presented by the Treasurer.

Second Reading

MR C.J. BARNETT (Cottesloe — Treasurer) [2.01 pm]: I move —

That the bill be now read a second time.

[The Treasurer read the following speech.]

INTRODUCTION

Mr Speaker, as the Liberal–National Government delivers its second budget the Western Australian economy is in a period of transition, moving away from the effects of the global financial crisis into the early stages of recovery.

In spite of the uncertain economic times, I am pleased to announce the State Government has achieved budget surpluses in the current year and across the forward estimates.

Today we are announcing a surplus for the current financial year of \$290 million. The projected surplus for 2010–11 is \$286 million.

I am very proud of these results because they signal our confidence going forward, reduce our reliance on debt, and mean we can maintain the State’s triple-A credit rating.

This Government has worked diligently and innovatively to stabilise the State’s financial position so that we have a strong foundation for future growth.

This has not been easy to achieve and has been done in partnership with the community.

In the midst of the global financial crisis, the State’s revenues were virtually stagnant, growing by just 0.5 per cent. While strengthening commodity prices and improvements in the property market will boost revenue by 3.9 per cent in 2010–11, we remain some way from the conditions enjoyed before the international downturn.

Coupled with this, our share of GST has fallen to about 68 cents in every dollar we pay to Canberra. This compares to Queensland, a similar State, which gets back more than 90 cents for every dollar of GST they pay. In fact, over the four years from 2010–11, our GST grants will be \$8.3 billion lower than if the State received an equal per capita share. In 2010–11, the GST grant to Western Australia will be \$211 million less than the grant in 2009–10.

Against this background, the Government acted to make the difficult, but necessary, decisions to bring the State’s finances under control. We made decisions so that — like families around the State — we would be able to live within our means; we saved \$5.1 million by managing the government vehicle fleet better and \$30 million by reducing government advertising. We successfully slowed underlying government expenses growth to 9.2 per cent in 2009–10, down from 13.5 per cent expense growth recorded in 2008–09. We prioritised building projects that would strengthen the community and we directed savings into the areas where they could offer the most benefit.

Although the State has tentatively turned the corner, the Federal Government’s recent announcement of a resource rent tax in Australia and ongoing Euro zone jitters show there is still much uncertainty both domestically and abroad.

However, there are reasons to be cautiously optimistic. Economic growth for Western Australia is forecast to accelerate to 4.5 per cent in the coming financial year, driven by stronger household consumption, exports and a rebound in job-creating business investment. Sustained expansion in Western Australia will be built on record levels of investment in the State’s world-class resources sector and will be watched keenly by the rest of the country.

This growing momentum is an endorsement of the work done to attract wealth-generating projects to this State. We’ve done this by overhauling the approvals process, improving labour supply, slashing red tape, minimising sovereign risk and letting the world know that we are open for business and that we welcome investment.

Business investment is forecast to rise 11.5 per cent in 2010–11 and 12.25 per cent in 2011–12 as major international mining and petroleum companies advance their world scale projects in Western Australia.

These forecasts were finalised before the Commonwealth Government revealed it wanted to introduce a resource rent tax. The prospect of this new tax on businesses large and small has already impacted the outlook for Western Australia's growth and will inevitably impact jobs growth.

We will stand firm against this attempted raid on our State's finances because our mining royalties and payroll taxes go back into our schools and hospitals. They paid for seniors and pensioners to take seven million free trips on public transport last year. They've allowed us to put \$14 million into upgrading the Coalfields Highway over the next two years. They pay for services which protect the vulnerable and initiatives which advance the State.

As we survey the challenges around us, we are charting a steady course forward by:

- delivering State-building projects and ensuring we have the infrastructure in place to support future growth;
- acting to ensure that future growth is not constrained or hampered by structural impediments in the economy or unnecessary red tape;
- maintaining the fiscal discipline of last year in order to responsibly manage increases in net debt associated with our record infrastructure and capital works spending; and
- ensuring the State's finances remain strong and Western Australia continues to attract a triple-A credit rating so that we can keep the cost of borrowing for state-building projects low.

Government finances are not the only area where the recovery will take time to show; we know that the community is still under stress as they feel the impact of interest rate rises and see their retirement savings at risk as share market volatility continues.

As a result, we have expanded the range of hardship assistance in this year's budget. I'm also pleased to add that around 6,700 small businesses will receive their share of the \$100 million payroll tax rebate in coming months. This important measure underpinned our job protection efforts during the height of the financial crisis.

We would not have been able to protect jobs and nurture the confidence we're now beginning to see if it had not been for the collective belt-tightening efforts of the Government and the community. I thank the people of Western Australia for their patience in sharing that burden. I refer in particular to price rises in electricity, gas and water.

Creating a strong foundation for the State has meant dealing not only with the financial crisis, but also addressing the latent issues left to us when we took office.

As part of moving towards ensuring charges reflect the true cost of delivering electricity, the Government announced earlier this year that electricity tariffs would increase by 7.5 per cent from 1 April 2010 and a further 10 per cent from 1 July 2010.

We are mindful of the impact this may have on families and small business. To offset the rises we have significantly increased payments from the Hardship Utilities Grant Scheme. This will see the standard payments for people in metropolitan areas rise from \$380 to \$408. These payments will further increase to \$450 from 1 July.

We are also extending assistance to seniors by allocating \$25.8 million in 2010–11 to continue the WA Seniors Cost of Living Rebate. From July, we expect 245,000 WA Seniors Card holders will receive a rebate of \$104.80 for singles or \$157.22 for couples.

Similar to electricity, water tariffs have also become detached from the real costs of quenching the thirst of a dry State such as Western Australia. To address these historical issues, price increases have also been introduced to encourage people to reduce their use of this precious resource. Water supply and consumption charges for an average household will increase by 17.7 per cent in 2010–11 following the recommendations of the Economic Regulation Authority.

As we address these historical price issues, the Government is also funding vital water services and infrastructure. A great example of this is the announcement in this budget of \$100 million over four years to continue the Infill Sewerage Program to connect houses and businesses to the wastewater system. The price of water also reflects the early cost of preparing for future demand. To this end the

budget includes expenditure of \$312 million to commission our next major water source in 2011—the new Southern Seawater Desalination Plant.

When combined with other tariffs, fees and charges and a modest increase in some public transport fares, electricity and water will add an additional \$367.86 or 9.06 per cent to the average household budget. The Government recognises the effect these rises will have on some households and these decisions were not taken lightly. However, the Government has taken the fiscally responsible course of action and, while it may not be popular, it is absolutely necessary to ensure a strong foundation for financial security and future economic growth.

But not all fees and charges are increasing. In 2010–11, there will be no increase in:

- driver’s licence fees;
- compulsory third party insurance premiums, which remain the lowest in the nation;
- motor vehicle recording fees;
- Transperth 50 cent student fares; or
- stamp duty rates on insurance premiums.

While taking decisions to guarantee the State’s financial capacity to expand and deliver better quality services, the Government has also initiated structural reforms across the public sector to improve service delivery in critical areas such as health, education and community services.

We are committed to working together to ensure Western Australians share in the State’s opportunities in times of prosperity and are supported during times of adversity.

It is in meeting the challenge of caring for the vulnerable that we have established something I am particularly proud of, a partnership with charities, churches and community organisations.

By recognising that government does not always have to “do” but is sometimes best placed to “enable”, we have set the framework to build the capacity of those organisations so we can begin shifting the delivery of more services away from government agencies to the community sector.

We know governments are not always best placed to deliver assistance to the most vulnerable in our society; the compassion and experience we see in the many hundreds of non-government organisations which deftly and thoughtfully deliver services and care to those who most need assistance sets them apart in this regard.

The best application of the Government’s expertise in this partnership is to build the capacity of these organisations so that they can focus on the welfare and wellbeing of the people for whom they care.

With the improving outlook, the Government is focussed on improving and expanding services.

This budget:

- provides the biggest ever injection of additional funding for the State’s health system;
- further progresses the roll-out of the Government’s Independent Public Schools initiative;
- addresses community safety by increasing police and auxiliary officer numbers, invests in police communications and new stations, and expands youth justice services; and
- supports the most vulnerable in our community through the expansion of support and protection services for the community including a substantial investment of \$6 million to Foodbank, which distributes food to more than 650 welfare and community agencies.

FINANCIAL RESPONSIBILITY

This budget delivers on the Government’s commitment to surpluses and to maintaining the State’s triple-A credit rating so that we can keep the cost of borrowing low.

The budget includes \$30 million in 2009–10 for a second round of voluntary severances for another 300 employees to exit the public sector. This follows last year’s successful voluntary separation offer which was taken up by 469 surplus employees, the vast majority from management and administration roles. This Government is actively managing the size of the public sector.

The Government has also increased dividend payout ratios in this budget for many of the State’s public corporations, bringing them more into line with public corporations in other jurisdictions. This will give the Government more direct control over how the profits of the State’s public corporations are re-invested in their activities.

IMPROVING KEY SERVICE DELIVERY

Health

Mr Speaker, I will turn first to the initiatives in this budget aimed at improving key service delivery, starting with the strong foundation we are providing for health.

In 2010–11, we will spend \$5.6 billion on health services, up \$348.1 million or 6.7 per cent on 2009–10.

We are injecting an additional \$1.1 billion over five years, commencing in 2009–10, to provide increased capacity to accommodate activity and cost increases in the health system, and to progressively implement activity based funding. This will improve accountability and drive a more efficient health system, whilst maintaining the delivery of high quality health care for all Western Australians.

In response to last year's inquiry into the St John Ambulance Service, we are spending an additional \$149.6 million over four years for new and expanded ambulance services across the State, including additional paramedics and transport officers and enhanced communication centre capability, so we can improve response times and patient care.

A further \$49.7 million over four years has been provided to improve access to Community Child Health services, with a focus on speech pathology, occupational therapy, and physiotherapy. This initiative follows recommendations by the Education and Health Standing Committee's report *Healthy Child — Healthy State* in May 2009, and the Community Development and Justice Standing Committee's report of August 2009 into the *Adequacy of Services to Meet the Developmental Needs of Western Australian Children*.

In line with our belief in sharing responsibility and working together, this Government is also taking a new approach to providing mental health services. In March this year a new Mental Health Commission was established, with a structure broadly consistent with the successful Disability Services Commission. The Mental Health Commission will give greater priority to early intervention and recovery, with a larger role for community-based services from the not-for-profit sector. The Government is currently in the process of recruiting a Mental Health Commissioner, the first position of its kind in Australia.

The Government is also continuing to deliver on its election commitments to reduce waiting lists for elective surgery, implement the *Friend in Need Emergency Scheme*, and provide more after-hours GPs.

In 2010–11, as the only State or Territory government to not sign on to the health proposals of the Commonwealth, the Government will spend \$890 million on capital works for health, as part of a \$3.5 billion investment in our hospitals over the next four years. This includes:

- continuing construction on the \$1.76 billion Fiona Stanley Hospital which opens in 2014;
- planning for the new Children's Hospital at the QEII site which will start construction in 2012, and is due for completion in late 2015;
- the new \$360 million Midland Health Campus development which will start construction in 2012, and is due for completion in 2015;
- the start of construction on the \$256 million State Rehabilitation Service facility, to be co-located with the Fiona Stanley Hospital;
- the \$166 million Albany Health Campus Development which will open in 2013; and
- \$55.8 million for the continued redevelopment of the Kalgoorlie Hospital.

Education

Mr Speaker, the Government's Independent Public Schools initiative is underway, with 34 independent public schools successfully introduced in the 2010 school year. These schools are empowered with the flexibility to set their own direction and will have greater autonomy for day-to-day decisions. We are encouraged that many more schools are planning to take up the opportunity to be independent in 2011. This budget includes additional spending of \$19.3 million over four years for the continued roll-out of this important initiative which will improve the teaching and learning environment in our schools.

We are also providing an additional \$28 million over four years for increased school support staff to relieve workload pressures on these crucial members of our school communities.

In addition, funding of \$21.8 million over four years will help ensure students in the half-cohort have access to a full range of curriculum options. This reflects the Government's commitment that no child will be disadvantaged by being part of the half-cohort.

The 2010–11 Budget also includes:

- \$69.7 million over the next four years for 316 additional teachers and education assistants employed to accommodate growth in student numbers;
- \$13.9 million over two years to provide English language tuition to children on temporary 457 visas from non-English speaking backgrounds; and
- \$5 million in 2010–11 to prepare Western Australian schools for the implementation of the National Curriculum.

Infrastructure spending on schools in 2010–11 totals a record \$1 billion, and includes:

- \$106.4 million for starting or continuing construction of 24 new or replacement primary school facilities;
- \$142.6 million for additions and improvements to 20 high schools and district high schools;
- \$65.5 million to progress new high schools, including Baldivis and Butler Senior High Schools and the redevelopment of Governor Stirling Senior High School;
- \$20.5 million from *Royalties for Regions* for upgrades to regional schools; and
- and \$425 million for contracts already awarded to around 170 building contractors for a range of Commonwealth-funded work in the State's primary schools.

Community Services

Mr Speaker, child protection services in Western Australia will receive a further significant boost in this budget, with an extra \$43.5 million to be spent in 2010–11 on support and protection services for children and young people, support for individuals and families at risk or in crisis, additional child protection staff, and increased funding for non-government services.

A further \$27.9 million will be provided over four years to expand Responsible Parenting services in regional areas.

In addition to the \$6 million contribution to the Foodbank project I mentioned earlier, a further \$195,000 per annum over three years has been allocated to expand the School Breakfast Program, which, in partnership with community organisations, delivers breakfast to children in over 300 schools in metropolitan and regional Western Australia.

Indigenous Australians

There are a number of important initiatives funded in this budget related to Indigenous Australians, including an additional \$5 million over three years to expand the important work done by the Clontarf Foundation to improve self-esteem and life skills through its football academies.

We have allocated \$13 million from the *Royalties for Regions* program to increase access to short stay accommodation for Aboriginal people particularly in Broome and Kalgoorlie. This is alongside our \$5 million investment in a transformation of accommodation in the Roebourne community to improve the lifestyle and opportunities there.

Putting the Public First

As part of our commitment to working together, the Government has announced a Community Development Investment Fund and a Social Innovation Grants Program.

The Government will invest \$10 million in 2010–11 in a Community Development Investment Fund, which will support the not-for-profit organisations that work tirelessly to support the most vulnerable in our community. The fund will commence on 1 January 2011 and will make low-interest loans available to eligible community sector organisations to purchase property, vehicles or other equipment so they can be more financially sustainable.

The Government is also spending \$2 million in 2010–11 and \$4 million each year thereafter to establish a Social Innovation Grants Program. This program will start on 1 January 2011 and will promote new ways of delivering human services by encouraging innovation within the community sector.

Environment

This budget builds on the Government's strong environmental agenda of preserving the Swan and Canning Rivers, improving access and facilities in the State's 98 national parks, and protecting key regions of Western Australia's bio-diversity—the Kimberley and the Great Western Woodlands.

This budget contains \$9 million over four years for the Government's soon-to-be-released *Kimberley Science and Conservation Strategy* which includes the creation of Camden Sound as the first marine park on the pristine Kimberley coastline. The protection and maintenance of this unique and spectacular natural environment of the Kimberley is arguably our most important environmental responsibility.

To help Western Australians re-discover their national parks, \$20 million from the State's *Royalties for Regions* scheme will be spent on park infrastructure and roads over the next four years, on top of the Department of Environment and Conservation's \$40 million parks and tourist roads improvement program. This initiative will also be complemented by the new strategic direction for Tourism WA.

The Government has also approved a 15-year agreement to allow Synergy to purchase power from the proposed 111-turbine Collgar wind farm, located near Merredin, when it begins operation in August 2011. The wind farm will generate enough energy to power more than 125,000 homes every year and is a major step towards achieving the national renewable energy target of 20 per cent by 2020.

I'm also pleased to announce that funding of \$23 million has been provided to introduce a residential net feed-in tariff scheme from 1 August 2010. This will encourage more homeowners to install grid-connected renewable energy systems, including new and existing photovoltaic, wind and water systems, and to sell surplus electricity back into the grid. This honours an election commitment to introduce a feed-in tariff to provide a genuine incentive for homeowners to install renewable energy systems.

Law and Order

Mr Speaker, the Government continues its focus on law and order in this budget, with spending of \$2.2 billion in 2010–11, up \$140.7 million or 6.9 per cent on 2009–10.

We are delivering on our election commitments to increase police on the beat by providing 100 extra police and auxiliary officers and 30 support staff, by expanding the Perth Metropolitan Radio Network, building new police stations at Fitzroy Crossing and Mount Magnet, and reducing road trauma by enhancing speed enforcement and traffic infringement processes.

Funding of \$27.7 million has been committed over the forward estimates for construction of the Cockburn Central Police Hub, to commence in 2011–12, and construction of the Western Suburbs Police Hub, to commence in 2013–14. These facilities will be strategically located to improve efficiency and frontline service delivery.

This budget includes \$7.6 million over the next four years to address the Coroner's recommendations in his Inquiry into the death of Aboriginal elder Mr Ward. This includes an upgrade to police security vehicles, following the replacement of the entire fleet of corrective services vehicles by this Government, additional monitoring staff, and enhanced training of Justices of the Peace.

The Government is providing an additional \$1 million per annum for the Graffiti Taskforce, which we re-established on coming to office, and \$13.2 million over four years to target clandestine drug lab operations and implement cannabis law reform.

The budget also provides an extra \$43.9 million from *Royalties for Regions* over the next four years to expand youth justice services in the West Kimberley, East Kimberley and Pilbara regions. The new services will feature outreach support for young people and their families, emergency bail accommodation, community work programs to help young offenders enter employment, and juvenile justice teams to divert young people from the justice system.

Culture and the Arts

Mr Speaker, I'm pleased to announce we have been able to increase recurrent funding for Culture and the Arts this year by \$6.1 million or 5.4 per cent. In addition, the Department will spend \$56.1 million on capital works, including \$9.3 million for local library materials, which I'm very proud to say is a funding increase of more than 40 per cent.

This budget delivers our election commitment to help the West Australian Ballet and the West Australian Symphony Orchestra into new premises. We are also on track to complete the new \$91 million State Theatre Centre of Western Australia in Northbridge by December this year.

STATE BUILDING

Mr Speaker, the Government is investing heavily in infrastructure for the benefit of all Western Australians, with an Asset Investment Program in 2010–11 of \$7.6 billion.

The majority of the State's 2.3 million people choose to live in the Perth metropolitan area. The vast number of international businesses operating in Western Australia means Perth is seen as a sentinel of enterprise for the region. As we begin preparing to host the Commonwealth Heads of Government Meeting next year, we are progressing a series of landmark projects in the metropolitan area. These projects will transform Perth into an international city of a standard befitting its increasingly important role in the Asia–Pacific region.

Perth Waterfront Redevelopment

The Government is fully committed to developing the Perth Waterfront, which has for too long been under-utilised. The Perth Waterfront redevelopment project will bring the city to the river and deliver a range of new residential, commercial and entertainment opportunities. It will become a unique destination for the Western Australian community and visitors alike. The budget includes \$21.5 million over four years for detailed planning and design, with construction of the mixed-use precinct due to commence in 2012.

Perth City Link Project

Mr Speaker, the Perth City Link project will reconnect the city centre with Northbridge for the first time in more than 100 years, by sinking the rail line and bus station to create a vibrant mixed-use area.

In 2010–11, the Government will spend \$40.6 million on land development, detailed design work and preliminary rail infrastructure works.

This project is an important part of the overall program for Perth and will improve connectivity and access, provide an attractive city square as well as increased residential, retail and commercial opportunities.

When completed, the project will have attracted more than \$3 billion of private sector investment, provide housing for up to 3,000 new residents and accommodate up to 13,500 workers.

The estimated total cost of the Perth City Link project is \$656.3 million. The City of Perth and the Commonwealth Government have both committed funding, with the Commonwealth investing \$236 million towards sinking the Perth to Fremantle railway line and upgrading platform arrangements in Perth station. The State Government's contribution to the project is \$383.4 million.

Perth's Major Rectangular Stadium

Mr Speaker, the development of a quality rectangular stadium is a priority for this Government, as the current facilities are inadequate for the rugby and soccer teams of this State.

The Government has therefore allocated \$82.5 million in this budget to upgrade Perth's major rectangular stadium, with a maximum capacity of 25,000 seats. Construction is expected to start in 2012.

Netball Centre

Mr Speaker, netball has been a major part of our sporting culture for over 80 years, with more than 36,000 registered players and a further 50,000 participants in Western Australia. As the number one participation sport for women and girls in the State, a top quality 'home' for netball is long overdue.

In recognition of this, the Government has allocated \$26.1 million in this budget to develop a new State Netball Centre at the Matthews Netball Facility. The new centre will include four world-standard indoor netball courts and office space for Netball WA.

Mr Speaker, although three-quarters of the State's population live in Perth, much of our wealth is generated in the regions. The Government is committed to building major projects in the regions that help us grow our economy and improve communities through regional Western Australia.

Oakajee Port and Rail Project

The Government is working with Oakajee Port and Rail on a deep-sea port, railways and industrial estate as part of the development of a major new iron ore region in the State's Mid-West. The State and Commonwealth Governments have each committed \$339 million to fund port infrastructure at Oakajee.

The draft Bankable Feasibility Study was received by the Government on 30 March 2010. This represents a major step forward for the project, and will allow the Government to assess how the State's broader objectives for the region can best be achieved.

Browse LNG Precinct

The Government is actively supporting the development of an LNG Precinct in the Kimberley region, to position Western Australia as a world leader in the supply of clean, high quality LNG.

This budget includes funding of \$110.7 million over five years to progress this project, including a Regional Benefits Agreement to contribute towards the social, health and economic needs of indigenous people in the Kimberley.

The LNG Precinct will facilitate the processing of gas from the Browse Basin gas field off the Kimberley coast. The Browse Joint Venture has confirmed James Price Point as their preferred location, with a final investment decision proposed for June 2012.

Ord River Project Stage Two

I'm very pleased to note the transformation of the State's North-West into a world-class agricultural precinct took another step forward last week with the start of construction on 19 kilometres of irrigation channel, a 14 kilometre road extension and irrigation control structures.

This is an important milestone in our key election promise to increase the Ord irrigation area from 14,000 hectares to 22,000 hectares. Funding of this important agriculture initiative follows the opening earlier this month of the \$54.7 million Muchea Livestock Centre which we committed to during the election.

Pilbara Cities

Mr Speaker, the Government's vision for the Pilbara is for modern, vibrant cities and regional centres that will support a skilled workforce to drive and sustain major economic development. Between 2008–09 and 2013–14 the Government, through *Royalties for Regions*, will have committed almost one billion dollars to Pilbara Cities, including \$125 million for Nickol Bay Hospital in Karratha. We also recently announced \$30.4 million for the State's first ever service workers apartment precinct in Karratha which will house up to 250 people and deliver much needed affordable rental accommodation for non-resources sector employees.

ADDRESSING STRUCTURAL ISSUES

Mr Speaker, as I mentioned earlier, this Government is working to ensure that future growth in the State is not constrained by structural impediments in the economy or unnecessary red tape.

We are particularly focused on improving the responsiveness and flexibility of the State's housing and labour markets so that the benefits of strong demand are realised as growth rather than inflation.

Training and Labour Supply

Last year the Government created the Department of Training and Workforce Development to help deliver the workforce needed to support the State's growth, and to improve training, apprenticeship and re-training opportunities for Western Australians.

This budget builds on this by providing additional funding of \$19.4 million over 2009–10 and 2010–11 to respond to unmet training demand through the purchase of an additional 7,600 training places in industry priority areas.

Combined with the Government's previous commitments, this will increase training places from 134,000 in 2008 to 156,000 in 2011. These additional places will provide more opportunities for Western Australians to benefit from growth in the State's economy.

The Government is also providing \$3 million over two years, from 2010–11, as bonus payments to employers who take on out-of-contract apprentices and trainees, to allow them to complete their apprenticeships and traineeships.

Housing Supply and Affordability

Mr Speaker, helping more Western Australians into affordable housing continues to be a priority for this Government.

In addition to an internal review of government-owned land which is currently underway, we are developing a *State Affordable Housing Strategy*.

The strategy will focus on working together with the private and not-for-profit sectors to strengthen social housing, improve the supply of affordable housing options, and support the transition of people through the housing system.

To assist the Government achieve a comprehensive and coordinated approach to housing affordability issues, funding of \$300,000 per annum has been committed for the establishment of an Office of Land and Housing Supply, which will:

- identify short and medium term infrastructure requirements to support strategic land and housing projects;
- monitor land release approvals and assist stalled projects; and
- identify legislation, policy and practices that need to be addressed.

The Government is continuing to assist Western Australians purchase affordable housing through Keystart, which provides low cost housing loans to low and moderate income earners. In 2009–10, Keystart is expected to approve a total of 5,117 housing loans worth over \$1.5 billion, with over 90 per cent of these loans to first homebuyers.

Approvals Process

Mr Speaker, in 2009 the Government established the Ministerial Taskforce on Approvals, Development and Sustainability. To date, reforms include:

- introducing four Bills into Parliament to streamline approvals processes;
- establishing a Lead Agency Framework for major projects to provide approval seekers with a single point of contact and a level of assistance tailored to their proposal; and
- introducing administrative reforms to improve the time taken to approve applications and grant permits.

The Government has also created an independent Office of the Environmental Protection Authority to meet the growing complexity, size and demands of development assessment in the State.

In addition, this budget allocates \$8 million so that industry can use the internet to lodge, pay for, and track mining and petroleum approvals.

Red Tape Reduction

Alongside our efforts to streamline approvals, the Government also recently released *Reducing the Burden*, a report which proposed 107 key recommendations to decrease State regulation and red tape on business and consumers. The direct benefits of the proposed reforms to the Western Australian community are estimated to be at least \$44 million in a single year.

The Government has also tackled the flotsam and jetsam of boards and committees left to us by Labor. We have already abolished 219 bodies, another 44 will be scrapped when their term expires and a further 63 will require legislative changes to remove.

CONCLUSION

In conclusion Mr Speaker, I commend this budget to the Parliament as a budget that:

- responsibly manages the transition from the volatility of the global financial crisis;
- makes a commitment to improve and expand services to the people of Western Australia;
- ensures we have the infrastructure and workforce in place to support future growth;
- addresses impediments to growth such as unnecessary regulation; and
- restores the State's financial settings.

Mr Speaker, this budget reflects the efforts of a Government and a community that have worked together to build a strong foundation for the future.

I would now like to proceed with the formal purposes of the two Appropriation Bills, which seek the sums required for services in the coming financial year. Appropriation (Consolidated Account) Recurrent 2010–11 Bill 2010 is for recurrent services, which comprise the delivery of outputs and administered grants, subsidies and other transfer payments.

Appropriation (Consolidated Account) Capital 2010–11 Bill 2010 is for capital purposes, providing for asset purchases and payment of liabilities of agencies.

Recurrent service estimates of \$17,577,494,000 include a sum of \$1,550,072,000 permanently appropriated under Special Acts, leaving an amount of \$16,027,422,000 which is to be appropriated in the manner shown in the Schedule to Appropriation (Consolidated Account) Recurrent 2010–11 Bill 2010.

Capital purposes and financing transactions estimates of \$3,328,893,000 comprise a sum of \$119,728,000 permanently appropriated under Special Acts and an amount of \$3,209,165,000 which is to be appropriated in the manner shown in the Schedule to Appropriation (Consolidated Account) Capital 2010–11 Bill 2010.

Mr Speaker, I commend the Bills to the House and seek leave to table:

- Budget Speech – Budget Paper Number 1;
- Budget Statements – Budget Paper Number 2; and
- Economic and Fiscal Outlook – Budget Paper Number 3.

[See papers 2113 to 2119.]

Mr C.J. BARNETT: In conclusion, I acknowledge and thank the member for Vasse for the preparatory work for this budget. I also thank my colleagues, both in cabinet and within the Liberal–National government, and all the departmental staff, particularly Treasury staff, the Under Treasurer and his personnel, who have worked on this budget. I commend the budget to the house.

[Applause.]

Debate adjourned, on motion by **Mr D.A. Templeman.**