

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti;
Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls;
Dr Kim Hames

PREMIER'S STATEMENT

Amendment to Question

Resumed from an earlier stage of the sitting.

MR A.J. SIMPSON (Darling Range — Minister for Local Government) [2.47 pm]: I will continue where I left off before question time in regard to the polls that were held on Saturday, 7 February, and the so-called democratic vote of the poll provision in the Local Government Act and how the “yes” campaign helped the “no” campaign reach its target. The biggest campaign was from the City of Kwinana, which has 18 200 registered voters and of which only 8 400 voted no. Ten thousand people either voted yes or did not vote at all. In a democratic world, one would think that would equate to a yes for the reform process, but that was not the case because of the way the Local Government Act is written, especially the poll provision referred to as the Dadour provision. Unfortunately, only one poll counts, and that is the one on the amalgamation.

Mr D.A. Templeman: You were going to amend the Dadour provisions, do you remember that?

Mr A.J. SIMPSON: I have tried to raise the Dadour amendment many times.

Mr D.A. Templeman interjected.

Mr A.J. SIMPSON: And I did, member. I did not change the act. I would like to but we did not change the act. How many times have I stood in this Parliament and said we have not changed the Local Government Act in any shape or form? We have used the current Local Government Act under the Local Government Advisory Board to come up with this proposal.

A comment was made that about \$21 million is in the state budget for local government reform. Reform is not just about lines on a map. Six million dollars has not been spent as yet, but the other amount has been spent since 2010. I will go through a few things the government has done. The former Minister for Local Government drove a very good campaign of integrated planning process. This is a very important part for local government. This involves councils looking at their assets on an asset sheet and working out how they will replace assets in the next five to 20 years. Each local government has to have an integrated planning process. In 2010, 36 per cent of local governments had not undertaken an integrated planning process. Now, 97 per cent of local governments have put in an integrated planning process. That money was used to help bring up that policy. Asset management is one of the most important tools for any business. Under the former Minister for Local Government's regime the number of local governments with an asset management plan increased from 19 per cent to 86 per cent. The \$21 million was there and \$6 million is unspent. It was used for all that, plus other things to help local government. The word “reform” is not about just lines and boundaries, it is also about reforming local governments to make them able to better deliver services to their ratepayers. Of course we are still in a process of reform in the country. The member for Wagin is not here, but Wagin and Narrogin will be coming together through a great process of reform in the country. That is going to work out very, very well with those two communities coming together. So, we will have one of those done before the end of this year.

Everyone touches on where we are at today. I think everyone in this house would understand this one thing: we tried as a government to take the local government sector with us on this journey through a reform process. I have brought up the local government Systemic Sustainability Study report. We tried to bring local government with us all the way through this journey.

What is interesting to me as a member of Parliament, and I think everyone in this house would agree, is that in places like East Fremantle, where 5 000 people had a vote, we cannot go back and revisit that vote. That is off the table for sure. No member of Parliament or minister is ever going to revisit a poll that has been defeated. Even though the poll was not fair and democratic in any way, shape or form, it would be impossible to go back.

It is interesting to look at what we would end up with if we were to go forward with the nine boundary adjustments that are on the table. On the eastern side of the Perth metropolitan area, there are local governments with 100 000-plus people, and up to 200 000 people through Gosnells and Canning. In the western suburbs and down to Rockingham, there are variations from a couple of thousand to 5 000, and up to 30 000. The inequity would be worse than it is today.

As a government, we can say that we did all we could to get the reform process to a point. The sector has very clearly driven this process. Members opposite say that I need to take responsibility. I do take some responsibility. But the sector needs to share the responsibility. It is interesting to look at how local governments

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have used their ratepayers in this process. As I have stated many times, the number of votes that we got out of the polls is not democratic at all. It is the silent majority who live in their community who make their community—not the local government. I will not go into the argument about whether we would lose our community or lose our identity. To me, that is a flawed argument. The most important thing that local government has to address right now is that there are still inequities in every area of local government. I stood up at the Western Australian Local Government Association annual general meeting in August last year and told the sector that it is time we started to get some uniformity around our local laws. It would be really good if I could put an advertisement in tomorrow's *The West Australian* telling people what they should put in their yellow-top recycling bin. However, I cannot do that, because not all councils use yellow-top bins. There are variations between the 30 local governments in Western Australia in the types of bin systems that are used. There are variations in that one local government says that people can have two cats, and other local governments say that people can have as many cats as they want. There are rate variations. The City of Stirling, which is the largest local government in this state, has the lowest rates of all the local governments, at an average of \$1 200 a year. It is interesting that someone who lives just 20 kilometres away, in the same suburban area, with the same services, the same bins and the same parks, will pay nearly double that. There is inequity in the rating system. As local members, we all cop the same complaints when the rate notices come out. Last year, the rate increases actually made the front page of *The West Australian*. Therefore, we need some equity. Last year, the Town of Victoria Park had the highest rate increases, at 10 per cent. The majority of rate increases were over the rate of inflation.

Under the current system, local governments have only a small capacity to raise money. The problem is that the only lever that local governments can pull to raise income is through a rate notice. They can also levy fees and charges. The most important source of funding for local governments is the financial assistance grants of over \$270 million that they are given through the Commonwealth Grants Commission. The SSS report looked at that issue and found that if local governments were to lose that money, not even half would survive; in fact, not even one-third would survive. Therefore, as I have said, we need to address the inequities within local government.

The sector had a great opportunity for reform here. I am still getting calls and messages from people saying, "Tell me it is not true; tell me it is not true that it is not going to happen", and I have to say, "Unfortunately, the sector has made it clear that we cannot get to that next level of reform." Therefore, I think the best thing I can do is stand here right now and come up with a solution. As the Premier said, we have put up the white flag. The reform process is on hold. We are still happy to talk to any local governments that want to amalgamate, and we hope that we will still get some local governments to come together. But I think it may take a while for the dust to settle, because at the moment it is quite heated out there. I am confident that we can get some synergies out there. I am also hopeful that we will be able to fix up a couple of the anomalies and get some of the old-fashioned suburban roads realigned to follow the natural boundaries, and hopefully down the road we can look at how we can reform the local government sector. But the one thing that is clear to us as a government, and that will be clear to any government and any minister who comes after me in the next 10 years, is that this will be off the table.

Several members interjected.

Mr A.J. SIMPSON: It will be off the table now for quite a number of years. It is no different from what would happen if a member of Parliament stood in this house and talked about daylight saving. We have had referendums on daylight saving and it has been voted down. This means that the local government reform process is now off the agenda for the next 10 to 15 years. That is a shame. It is a missed opportunity for the sector. What killed the reform in this sector more than anything else was the personalities who got involved. In any type of reform process where two come together, there always seems to be, in whichever terminology we use, a winner and a loser, and that is the reason we are in this situation today.

Mr F.M. Logan: What about the ratepayers?

Mr A.J. SIMPSON: I have already spoken about the ratepayers. Did the member not listen to the ratepayers? Fewer than 47 per cent of them voted no. That means it should happen. The poll does not make sense.

Mr F.M. Logan: Eighty per cent of them rejected it!

Mr A.J. SIMPSON: No. I will read it out to the member. Fewer than 47 per cent voted no in each poll. If they took out the yes vote of the three polls that got up —

Mr F.M. Logan: That is ridiculous!

Mr A.J. SIMPSON: What is ridiculous about it?

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Mr F.M. Logan: Minister, if we did not have compulsory voting for state elections, how many people do you think would vote?

Mr A.J. SIMPSON: That is irrelevant. Okay, let us turn this around. Why do we not put compulsory voting into local government?

Mrs M.H. Roberts: Good idea!

Mr A.J. SIMPSON: Ah! Very good! Does the member know why we do not have it? The sector rejected it. That was that one of the Robson report recommendations, but the sector said, "We don't want it. We don't want compulsory voting. We don't want to be part of it." Why?

Several members interjected.

The SPEAKER: Member for Mandurah! Hansard has no chance of following this. Minister, through the Chair.

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah!

Mr D.A. Templeman interjected.

The SPEAKER: Member for Mandurah, have you finished?

Mr A.J. SIMPSON: The important thing is that local government has missed the opportunity to try to reform the sector. There have been eight reports. All those reports pointed towards some sort of reform process. The mistake the government made was in trying to work with the sector and use the voluntary process of the Local Government Act. As I said at the start, the only reform that has happened in Australia has been through legislation. I guess it is a shame that we could not get the sector to come on board without using that legislation.

I commend the Premier's Statement to the house.

MRS M.H. ROBERTS (Midland) [2.58 pm]: What a pathetic response we have had from the government on this amendment. I will remind members of the amendment before the house —

That the following words be added after "noted" —

and that this house notes the shambolic and chaotic forced amalgamation process that has unnecessarily cost taxpayers and local communities millions of dollars.

I thought we might hear some kind of defence from the Minister for Local Government. I acknowledge that the minister is in an invidious position. But I do not think the minister has helped things. The issue here, which the minister has finally got to, is that the government has tried. The minister's whole argument is there is a need for local government reform, and the government has tried. The minister then went on to say that personalities killed it off. I think the minister was trying to blame everyone bar himself and the Premier. By "personalities", I assume the minister means the local government sector, to which he tried to sheet home most of the blame during his speech. Of course we know who the personalities were who killed this off. The biggest personality who created this shambles was the Premier himself. Probably nothing is more emblematic of the Premier's personality than how this local government issue has been handled. Anyone who has known the Premier for a very long time will know that he is very fixed in his views, and he is a very stubborn person. The Premier had a fixed view on where he wanted to get to with local government. The problem is that he kind of gave the job to his Minister for Local Government, and the Minister for Local Government would go out earnestly to try to do things and follow the act and consult with people, but every so often, every five minutes in this process, the Premier would come out and make yet another statement and say something else. The minister would say, "We are going down this path", and the Premier would say, "No, we are not. We are doing this. This is what is happening, and that is that." We have seen this crazy denial over a period of five or six years now, where the Premier would say, "No. There are no forced amalgamations. Do we see any yet? No, we do not." Yet I and other people would go out and talk to local shires and to people right across the metropolitan area who would say, "This is being forced upon us." At Mundaring and Kalamunda the elected members, staff members and members of the community who spoke to me about it as recently as Australia Day said, "How can we stop this process?" I said, "Get the Premier to keep his word. The Premier has said right through the process there'll be no forced amalgamations, so keep him to his word." They said, "Well, it's all over, red rover. We're not even getting a vote here." As part of this shambolic process, the government contrived the situation in which it called some amalgamations "amalgamations" and other amalgamations "boundary changes". Where was the fairness in that? The people of Mundaring scratched their head and said, "We actually did everything the government asked

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us to do and everything the minister asked us to do. We went along with the process because we believed we had no choice. We were told we had no choice.

But have a look at Kalamunda. They took the opposite point of view and we've both ended up in the same boat. We've both ended up in the same situation where we're getting amalgamated." "Amalgamated" is the term the government likes to use. However, in Mundaring it was never an amalgamation; it was just an absorption. It was not an amalgamation such as the City of Swan and the Shire of Mundaring joining together and people being treated fairly. The government's proposal there was absolutely outrageous. The attitude there was to sack the Mundaring councillors, get rid of the Shire of Mundaring in its entirety, leave the people of Mundaring totally unrepresented for the next 18 months and just let the councillors who were elected to represent people within the existing City of Swan make all the decisions on the former Shire of Mundaring with no representation whatsoever. That is hardly a fair process.

Back in November, I described this process as a dog's breakfast, because that is what it looked like at that time. I also said that it was a politically motivated process and that it was crass politics. At that time I pointed out some of the anomalies. The minister said that he wanted to get rid of anomalies—this was his proposal—but he was actually creating even more anomalies. For example, I could not understand the justification for forcing the people in the Shire of Mundaring into the City of Swan. As I pointed out at the time, the City of Swan is a 1 044-square-kilometre council authority. The City of Swan is huge. Mundaring is not a small land area either; it is 645 square kilometres. I will say it again: 645 square kilometres in the Shire of Mundaring. That is a total area of 1 700 square kilometres if both are put together. I compared that at the time with the City of Stirling, which is a paltry 105 square kilometres. If we add in the City of Wanneroo at 685 square kilometres and Joondalup at 99 square kilometres, there is still only a total of fewer than 900 square kilometres. If we put in the City of Bayswater at 33 square kilometres and the City of Bassendean at 10 square kilometres, the land area still cannot get to 1 000 square kilometres with Wanneroo, Joondalup, Stirling, Bayswater and Bassendean.

The City of Swan has already more than 1 000 square kilometres—1 044. However, the government wanted to put in the extra 645 square kilometres of the Shire of Mundaring, tell people in Mundaring that they would be unrepresented for 18 months and that at the end of the 18-month process they would have an election. But guess what? There would be no wards, there would be no guarantee that anyone from the Shire of Mundaring would get elected to the combined City of Swan, and people would have to campaign over a 1 700-square-kilometre range. People were outraged. However, the motivating aspect for people over that time was that, because of the decisions by this autocratic Premier and his deputy the Minister for Local Government, they were effectively unrepresented by their own local members of Parliament; their own local members of Parliament were not standing up for the people in those communities. People who spoke to me were absolutely gobsmacked that the member for Kalamunda took no notice of his constituents and did not support his constituents in this process, and nor did the member for Swan Hills. The member for Swan Hills went along with the process. He just put his hands in the air and said, "This is what the Premier's doing." The member for Kalamunda sits in cabinet. He is part of the process that has gone on for four or five years. His constituents have been very, very unhappy about this, as have the constituents of various other members. The member for Forrestfield, while the Kalamunda–Belmont shemozzle was happening, was not representing his constituents on this. The member for Belmont herself, again —

Mrs G.J. Godfrey: I did what the council wanted. That's what the council put in.

Mrs M.H. ROBERTS: The member for Belmont is part of the government. Are we to believe every single one of the backbenchers and ministers on the other side who are now saying, "It was nothing to do with me"? It should have been a decision by the majority in their party room. It seems that they are very brave when they talk to some people, but they are not too brave when it comes to standing up to the Premier. They let him go down this path. Yes, he is the leader of their party, but it does not abrogate them of all responsibility for what is happening. They are Liberal members. The Liberal Party was doing this under the leadership of the Premier, and the members have to take some of the responsibility for letting him loose with this and letting him do it for so very long. It has created so much anxiety in communities such as Kalamunda, Mundaring, Bassendean, Bayswater, Stirling, and in communities south of the river that my colleagues have spoken about, such as the members for Kwinana and Cannington. This has been a very bad, bad process.

The Minister for Local Government, by his own admission, says that this was about reforming local government and about achieving something good; yet he also by his own admission admitted that he and his government have effectively set back any possible process of reform in local government for at least 10 years. That is what the Minister for Local Government said today. In the house this afternoon he said that this process has probably been set back for 10 years, but he is still not taking responsibility for it. He is saying that it is the sector's fault,

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that the sector has not gone along with it and that it has not rolled over, as the government would have liked it to. The problem is that the minister never trusted the sector and he never properly consulted the sector. He made demands of the sector. He is saying that there is some kind of independent process and that those in the sector made their own choices. That is simply not true, minister.

Let us wind back the clock two or three years and find out what was happening when the minister first said that this was going to happen. I will give one example, although there are others. The City of Bassendean said it would engage in this process. Bassendean consulted with the members of its constituency and asked them, "Do you want to stay where you are? If you've got to join with another shire, do you want to join with Bayswater or do you want to join with Swan? What will you do?" After some consultation, Bassendean decided that if it had to amalgamate, it would amalgamate with Swan. A great many discussions took place with the City of Swan, and the City of Swan also embraced that idea. There is a logic for Bassendean going in with Swan. There is a river boundary between Guildford and Bassendean. Guildford had its own small shire, and I believe that in the early days of the colony there was a considerable community between Bassendean and Guildford. Just by way of example, I will say that there is no big shopping centre in Guildford; there is no Coles, no Woolworths and no IGA. People in Guildford have a choice of where to shop. If they want to go to a big shopping centre, they can go to Midland Gate Shopping Centre, which is not too far away. However, many people in Guildford choose to go to the Coles complex in Bassendean, which is just across the bridge from them. There is a relationship between the communities of Bassendean and Guildford. When I go into shops in Guildford in my electorate and speak to people, I find that many of them live in the Shire of Bassendean. It is convenient to them.

That is where it was progressing. However, along came the government's committee, which we have said was not as independent as the minister attempted to make out, and said that Bassendean had to go with Bayswater. I do not think it is fair for the minister to say that local government was not participating and would not cooperate and that nothing was happening. The problem is that there was a high-handed approach by government. It did not properly consult with the sector. The case was never made for the advantages. It is all very well for the government to point its finger at the sector and say that it is very naughty and recalcitrant and it is all its fault that it has failed. The minister and the Premier have to take the lion's share of the fault for why this has failed. The minister and the Premier have to take responsibility for why there will probably be very little reform in local government any time in the next 10 years. It is because of their botched process. It has been totally chaotic and shambolic. The community has been up in arms. We know, for example, that a large number of people in most communities have been complaining for a very long time about this, but the government has been deaf to their concerns and has just pushed ahead and said that it would force things through.

A couple of things have happened that have caused the government to change its mind, the last of which was the votes. However, I want to spend a couple of minutes giving people a proper taste of how angry people in shires such as Kalamunda and Mundaring have been. There is a Save Our Shire webpage. Interestingly enough, an interview with one of the Premier's former colleagues is highlighted on the webpage. There is an interview with Bill Hassell on amalgamations. Under the heading it states —

A Most informative and erudite explanation by former politician Bill Hassell about the forced takeovers of Local Councils. Bill speaks with all the authority of his legal and political background, he is frank in his opinions and he certainly explains the issues in a way that anyone can understand.

That makes a very interesting comparison with both the Premier and his Minister for Local Government. People have for considerable time now been posting on that website their views on this so-called amalgamation process. On 21 June last year, Pam posted —

Why does the smallest shire, Peppermint Grove, not have to amalgamate yet we have to? If I wanted to live in the city of Belmont I would have bought there! But I don't!

On 22 June, Paul posted —

yes I if wanted to live in Belmont I would have built there, plus the shire rates would be cheaper in Belmont so if we all go for it the rates should go down yes! not ... likely. I say no no no leave it all as it is you stupid pollied stick with your sniffing chairs and driving drunk at least we know what your thoughts are nothing ...

The Lesmurdie Medical Centre posted on the webpage —

What does a fruit grower in Pickering Brook have with a pet shop in Belmont. Belmont has little or no rural areas, Kalamunda has a lot.

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On 30 June, Jim posted —

It's typical of the way this government thinks and operates. It has only big business interest at heart and has no concern for the ordinary people of this state, so why would it concern itself whether ... two councils are in any way compatible for amalgamation and why would it give its residents its democratic right to vote.

Please everyone remember this next time you vote in the next state election. Remember that our own House of Representatives representative John Day has not only abandoned his constituents in this matter and I am led to believe longer lives within the Shire of Kalamunda, so why would he give a damn, its time to punish politicians that do not represent their constituents and merely tow the party line.

On 29 July, Trish posted —

Well said Jim. John Day has been worse than useless. These idiots need to remember who pays their salaries. I, for one, will CERTAINLY REMEMBER the bully-boy tactics of the current State Government when it comes time to cast my vote. They do not deserve their positions when they can so easily forget that AUSTRALIA IS A DEMOCRACY.

There are literally hundreds of these comments about the Kalamunda shire alone. The depth of people's feelings has been known for a long time. Similar comments have been posted about Mundaring and an assortment of other shires. Members can see from the comments that have been made the depth of people's feelings about this issue. This is not something that can just be brushed aside. The depth of people's feelings has been very strong for years. They believe that they need a democratic say. They wanted to be involved. They did not like the high-handed approach by the government. Their representatives in the Liberal Party have been nowhere to be seen on the issue. We have a case of bad government and poor process. The minister and Premier are in total denial on this issue. The minister has called it a journey in local government reform; it has been anything but. The minister cannot justify the whole shemuzzle on the basis that there are three local governments for the University of Western Australia. That could have been sorted out very simply and very locally in a matter of months, not years. He should have done that a very long time ago. They are simple matters, the logic of which can be easily explained. If a matter such as that is explained, there is an outcome. The problem is that the government has not solved this. This has been a shemuzzle. By his own admission, he has set back the cause of local government reform by 10 years.

DR M.D. NAHAN (Riverton — Treasurer) [3.16 pm]: I want to make a few statements about the City of Canning in reply to the member for Cannington. I do not know why I am replying to him. I read a tweet from the member for Cannington yesterday in which he blamed the Premier for the loss of the Inpex Corporation project. Nothing could be more ridiculous. The decision for Inpex to go to Darwin was made before we came to government, but that is the reality in Twitter world and from the member for Cannington.

The City of Canning is a prime example of what is wrong with local government in this state. I worked very well with the City of Canning when I first got in, but it started acting in a terrible manner. It was abusive to its electorate and it did not spend anything in my area but it spent elsewhere. Eventually, it got in a big fight. The mayor of the day appealed to the then Minister for Local Government to sack the CEO, which he had already done, and the CEO appealed to the minister to sack the mayor. An inquiry was brought on. This is not original. Another inquiry was done 20 years before that and the whole thing was sacked. A long in-depth inquiry was done that led to a lawyer looking into it, and the council was sacked for the second time in 20 years. Many of the people who were sacked this time were also sacked last time. They were sacked for a whole lot of reasons; it was not only the councillors, but also the administration staff. It is all there for anybody to read. This time it cost ratepayers \$2.5 million. We put in a very experienced local government person in Linton Reynolds. He was the Mayor of Armadale. I think he did a great job; in fact, the City of Armadale is the most sustainable council. He did a good job. He had to fix a mess. The management of the City of Canning was a mess.

Mr C.J. Tallentire: So why did you sack Linton Reynolds?

Dr M.D. NAHAN: I did not sack him. He was put in for the period of the examination. When the examination was finished and the recommendation was accepted, his job dissolved, because we never knew what the result was going to be.

Mr C.J. Tallentire: Dissolved?

Dr M.D. NAHAN: Yes, because after the minister had made a decision, the council might have been reinstated. He finished at that time. He knew it. That was the issue. Linton Reynolds came in—he was a very experienced

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person—and then local government reform started. With the senior management of the City of Canning he willingly discussed a merger of equals with Gosnells. He told me that. He had been a long-time advocate for reform. He willingly got together with the Mayor of Gosnells and put in an extensive proposal.

Mr C.J. Tallentire interjected.

Dr M.D. NAHAN: I seek your assistance, Madam Deputy Speaker.

The DEPUTY SPEAKER: Order, member for Gosnells!

Dr M.D. NAHAN: They willingly entered into a discussion about a merger of equals with the City of Gosnells—that is, they would bring both councils together, except for Wilson. But what Linton Reynolds failed to do, of course, was discuss it with the electors of the City of Canning. The City of Gosnells did that very extensively. It had good support and it did a great job. Then Linton Reynolds came to me and said, “Mike, come on board with reform. It’s going to change. We support it fully. Let’s get on with it.” So I sat on it. I support change. Clearly there are fundamental governance issues with the City of Canning. It has been sacked twice in 20 years. The Mayor of Canning actually ran as an independent candidate in the last election on a platform of reform. He gave his votes, of course, to the Labor Party. He did not get enough votes to get his deposit back, but that is beside the point. Labor endorsed him and he was sacked.

Mr R.H. Cook: How did we endorse him?

Dr M.D. NAHAN: Labor took his votes; it took his preferences. That is a vote of support.

Mr R.H. Cook: So he directed his preferences toward us. A lot of people do.

Dr M.D. NAHAN: Yes, the Labor Party went out and sought it and it got it, although there were not very many.

When it was evident, I went out to my electorate and said that the City of Canning is promoting a merger of Gosnells in the City of Canning. That is what it started. That is when it put in the proposal. The only proposal that the City of Canning put to the Local Government Advisory Board was an effective merger of Canning and Gosnells, except for Wilson. They wanted that to go over to the City of South Perth. That was the only proposal the City of Canning made. It did not propose a minor change to keep Canning whole and it did not look at merging with Melville. It put in one proposal—one—and that was a merger. Then it found out that the Minister for Local Government put in another proposal that chopped up the City of Canning. Canning was going to be dispersed between four local councils, and most of it was going to the City of Gosnells. That then set the management and Linton into anger, because they wanted a merger of equals. This was an issue about who is going to be in charge. There was going to be only one chief executive officer and one finance officer and whatnot. Then they put on a campaign to save the City of Canning. They never bothered to put a proposal in to keep Canning whole, but they spent hundreds of thousands of dollars of ratepayers’ money campaigning to so-called save Canning when they were actually negotiating a merger with Gosnells. It was hopeless. At the same time Linton was in charge they made massive increases to the wages of the employees of Canning. Over the two years of his stewardship, the wages bill went up 24 per cent!

Mr P. Papalia interjected.

The DEPUTY SPEAKER: Order!

Dr M.D. NAHAN: In other words, Linton and the management of the City of Canning said, “We don’t have a council office”, because it was sacked for the second time in 20 years.

Mr P. Papalia interjected.

The DEPUTY SPEAKER: Member for Warnbro, I call you.

Dr M.D. NAHAN: It was because of pure incompetence that the council got sacked, so the managers gave themselves huge wage increases. I suspect that they thought they were not going to be around and therefore they were not going to be held accountable for the large costs they were imposing. First, there was \$3.5 million worth of sacking costs—huge wage increases. By the way, the council had already increased rates by 15 per cent over two years and it was running a deficit due to the large wage increases. In other words, the City of Canning first got itself sacked and then the management mismanaged that city.

Several members interjected.

The DEPUTY SPEAKER: Order, members!

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti;
Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls;
Dr Kim Hames

Dr M.D. NAHAN: Then they went out and engendered a whole range of community groups, but they systematically misrepresented the issue. They said that the City of Canning was the most sustainable council in the metropolitan area. We heard that over and over again. It should have been, and it was when Mick Lekias was mayor. What happened? A report came out showing that it was the second lowest sustainable council in the metropolitan area. What happened? It was mismanaged. The people who were informing and funding these little groups were in fact misleading them. They had run down the finances of the council. It had dropped from one of the most sustainable to one of the least sustainable.

Mrs M.H. Roberts interjected.

The DEPUTY SPEAKER: Order!

Dr M.D. NAHAN: How was a council allowed to do this? There was no transparency.

Mrs M.H. Roberts interjected.

Dr M.D. NAHAN: There was no accountability and the council was repeatedly being sacked.

Mrs M.H. Roberts interjected.

The DEPUTY SPEAKER: I call you, member for Midland.

Dr M.D. NAHAN: The Labor Party supports this. That is what it supports. The Labor Party supports the systematic mismanagement of the City of Canning by the council and the management.

Mr P. Papalia: What?

Dr M.D. NAHAN: The member for Warnbro heard the member for Cannington stand there and say, "I support Linton and his management." Going forward, the City of Canning campaign spent hundreds of thousands of ratepayers' money. The sacking cost of \$2.5 million and the huge increase in wages was no doubt done because they did not think they would be held accountable for recouping the money. They thought somebody else would be, but they are not. Now they are going to be held accountable, and my task as a local member is to make sure they do not impose their excesses on ratepayers.

Mrs M.H. Roberts interjected.

Dr M.D. NAHAN: That has come down to the real issue here, which is that we cannot allow malfunctioning local governments such as the City of Canning to impose on the ratepayers of the City of Canning their waste, their sacking costs and 13 per cent wage increases. When they come to try to recoup that, I am going to remind all my electorate that Labor supports higher rates.

Several members interjected.

Dr M.D. NAHAN: Labor supported the misinformation about the sustainability of the City of Canning. It is a lie. It was not sustainable. It should be, and it was, but it is not now.

Several members interjected.

The DEPUTY SPEAKER: Order, members! Let the minister speak.

Dr M.D. NAHAN: It was and it should be, but it is not now.

Mr P. Papalia interjected.

The DEPUTY SPEAKER: Member for Warnbro, I call you.

Dr M.D. NAHAN: When I tried to explore this with the ratepayers in my electorate, the member for Cannington and others denied it, as did the city. Now the chickens are coming home to roost. That shows there is a fundamental problem with local government. The City of Canning is regularly mismanaged and it gets sacked regularly. There is no transparency to it and the people who run the city, primarily the managers, are looking after their own position rather than that of ratepayers.

Dr A.D. Buti: The services in Cannington are actually very good in the city of Canning.

Dr M.D. NAHAN: They were.

Dr A.D. Buti: No, they are. Go and ask people.

Dr M.D. NAHAN: They were.

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti;
Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls;
Dr Kim Hames

Dr A.D. Buti: They are!

Dr M.D. NAHAN: Then why was the council sacked?

Dr A.D. Buti: That was the elected official.

Dr M.D. NAHAN: No, no!

Dr A.D. Buti interjected.

The DEPUTY SPEAKER: Member for Armadale!

Dr M.D. NAHAN: The review of the City of Canning stated that, firstly, it was clearly the result of the administration as well as the City of Canning. Secondly, the council had been substantially underspending on its assets for some time. The City of Canning has stated that, if members were to read the report. The council had been seriously mismanaged for periods of time. It had been carried by very large portions of the rate base being an industrial zone. That keeps it going. The City of Canning's story highlights the difficulty of getting local government reform, but also the need for reform.

Also, I went out, unlike the City of Canning, and I said, "Well, the City of Canning is promoting a merger with Gosnells." That is what it did. There is no doubt about it. That is the only proposal it put in. I said to my electorate, "Where do you want to go? Reform is there. I know most of you would rather stay put and keep it as it is, but where would you want to go?" Overwhelmingly, they said they wanted to go to Melville.

Dr A.D. Buti: How many said that?

Dr M.D. NAHAN: Ninety-three per cent.

Dr A.D. Buti: How many people?

Dr M.D. NAHAN: Twelve hundred.

Dr A.D. Buti: Twelve hundred—that is a massive number, isn't it?

Dr M.D. NAHAN: It is a very large number.

Dr A.D. Buti: The minister was complaining that only 47 per cent of people said, "No".

Dr M.D. NAHAN: But 93 per cent said, "Yes".

I did another survey recently with another 2 000 and they said the same thing, which is that if there is going to be change, they would rather go to Melville. My electorate said that it wanted a choice in this, but the City of Canning did not give it to them. It hid it from them because the City of Canning was looking after itself rather than the ratepayers. The problem here is that we have a serious —

Dr A.D. Buti interjected.

The DEPUTY SPEAKER: I am going to have to call you to order. You are really interjecting far too much.

Dr A.D. Buti: Earlier today the member for Perth interjected constantly on the member for Mandurah for about three minutes and she was never called. Can we just have some consistency? If we are going —

The DEPUTY SPEAKER: Member for Armadale, are you putting a point of order?

Point of Order

Dr A.D. BUTI: I am putting a point of order. Can you, Madam Deputy Speaker, provide some guidance on why some people are allowed to interject constantly without being called and others are not?

The DEPUTY SPEAKER: Member for Armadale, I have heard sufficient argument. I have given you a fair bit of leeway this afternoon. You have interjected consistently and you have made your point. I have allowed the debate but when you call out so much that Hansard cannot record the debate and that the minister cannot be heard, then I am forced to call you to order.

Debate Resumed

Dr M.D. NAHAN: The story of the City of Canning shows that there is a serious deficit of democracy in local government.

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger; Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti; Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls; Dr Kim Hames

Dr A.D. Buti interjected.

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

Dr M.D. NAHAN: There is a serious lack of democracy in local government. The local government has been managed at least in the City of Canning, and by many others—not everywhere—more for the management and the elected officials of the respective city. The state has to go in regularly and bail them out of their problems. They cannot be relied on to approve the efficiency, performance and democracy of their own entity. They are incapable of doing it. We tried and we allowed them to participate in this process. They campaigned against their own proposals. They spent hundreds of thousands of dollars of ratepayers' money on that campaign, and they were no doubt going to try to blame it on someone. Now they are trying to blame us for costs that do not exist. We will have to step back and regroup. We cannot do the boundary changes but as a government we cannot just sit by and leave this dysfunctional sector alone.

Dr A.D. Buti: What are you going to do?

Dr M.D. NAHAN: Watch this space.

Division

Amendment put and a division taken, the Deputy Speaker (Ms W.M. Duncan) casting her vote with the noes, with the following result —

Ayes (20)

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

Noes (36)

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

Pair

Ms L.L. Baker

Mr R.F. Johnson

Amendment thus negated.

Consideration Resumed

MR J. NORBERGER (Joondalup) [3.37 pm]: I have scared them all off, and I am such a nice guy. I have the member for Albany here to keep me company and I appreciate that. It must be absolute bliss to live in a world in which a person is not held to account for any statements, claims, promises or accusations that they make. In opposition a person has such free rein from scrutiny. I am surprised that the mob opposite has a desire to return to government when they have it so much better at the moment. They can make any statement, accusation, claim or boast and they are not held to account. I came across a fairly great example of that just recently when our government made a number of statements around the *Government Mid-year Financial Projections Statement* and we discussed the impact that the precipitous fall in iron ore and oil prices would have on our budget surplus. Members are well aware that the drop in price for iron ore and oil was so significant that it caught all forecasters by surprise. However, that was apparently not so for the Labor Party. I came across some quite astonishing claims made by the Leader of the Opposition and the shadow Treasurer. The Leader of the Opposition declared that the deficit we are facing was utterly avoidable and therefore could not be excused. Wow, that is a pretty bold statement! The shadow Treasurer, who I have to say on any other day I have an enormous amount of respect for —

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
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Dr Kim Hames

Mr D.A. Templeman: Which day?

Mr J. NORBERGER: Every second day. I have them all in my calendar. The shadow Treasurer added to that and said that the fatal mistake that we apparently made was assuming record high iron ore prices. He went on to say that we should have run much greater, significantly larger surpluses. In saying that, he insinuated that if he had been in power and was sitting on this side of the house right now that that is indeed what they would have done. That was some pretty amazing wisdom. I thought to myself, "What foresight." We missed that completely, but had Labor been in power post-2008, it would have run phenomenally high surpluses. I was interested now.

Mr D.A. Templeman: We have a history of it.

Mr J. NORBERGER: Hang on, the member for Mandurah is the sole voice of the Labor Party and I respect him for that, but hang in there. He is welcome to tell me how they were going to do this. For surpluses to be of any benefit for future years, they have to be ongoing.

[Quorum formed.]

Mr J. NORBERGER: I ask that they leave some cake for me! Normally, a lamington will do.

I was honestly intrigued, because I thought that for surpluses to have any benefit in future years, they have to be ongoing. It is no good having a surplus two years ago if it was a one-off. If surpluses were the answer to us avoiding a \$1 billion-plus deficit, they would need to be ongoing. We need a surplus every year in order for that to be the case. So I asked how Labor would achieve this. Members opposite told us that if they had been in power, we would not have a deficit; the deficit was avoidable. I thought that was interesting. How would they have done that? For all of the posturing and boasting of members opposite, no insight into their financial wizardry was offered. I thought that surely Labor would have left some clues. This was a bit like a game of Cluedo. Surely Labor would have left some clues about its strategy amongst the plethora of media releases, speeches and propaganda over the years. Surely, if I dedicated a bit of time to it, I could go through all that information and discover the secret of Labor's economic bliss and happiness. So I set forth.

To ensure a multibillion-dollar surplus year in year out, as has been promised by the Labor Party, there are really only two options: firstly, increase revenues and, secondly, decrease costs—or a combination of the two. I started with revenue, and asked what the Labor Party could do to increase revenue. Remember, the starting premise of this whole discussion is that royalty income, according to the Labor Party, is evil; it is volatile and deceptive and cannot be trusted; we should not rely on it in any way. That is what the Labor Party said to us: the mistake we made was that we relied on royalty income, and that Labor would not make that mistake. That is a pretty profound statement, considering that royalties account for approximately \$7 billion of state revenues. That is one heck of a surplus we need to run to make royalties irrelevant.

We know that during Hon Eric Ripper's reign as Treasurer, Labor benefitted greatly from a stamp duty bonanza on the back of a booming housing market. I thought that perhaps that is what Labor is hoping for. Maybe it is hoping for a resurgence of massive stamp duty income from a booming housing market, but, alas, as much I would have loved to see the property values of my houses go up, that is not the case at the moment. Labor could not have relied on that, so I kept searching.

I thought, hang on a minute, maybe the Labor Party is going to fight for a fairer share of the goods and services tax for Western Australian. Surely that would be a good campaign to increase revenues. I did not have to go too far to realise that Labor vacated that space a long time ago. It was nowhere to be seen. The Liberals and the state media, to their credit—*The Sunday Times*, *The West Australian* and other media outlets—were the only ones pushing for a fairer share of the GST. In fairness to us, we have continued that fight whether Labor or Liberal has been in power in Canberra. So Labor is obviously not too worried about the GST. In fact, Labor's position—we heard it again from the Leader of the Opposition—is that the Liberals introduced the GST, and so it is their problem now that it is not working correctly. I thought that that was not very constructive or working to the benefit of Western Australia. I do not know whether the people of Western Australia would be happy with that. In theory, it means that they should never elect the Labor Party because it will never do anything about the GST. An inconvenient truth for the Labor Party is that the GST had its genesis during the Hawke–Keating Labor years. Treasurer Paul Keating and most of the Labor cabinet endorsed its introduction. That becomes a bit awkward for Labor. They endorsed its introduction. So I left the GST aside and asked where else the Labor Party could find revenue for the multibillion-dollar year in, year out surpluses it would have delivered.

What about government fees and charges?

Ms S.F. McGurk: We actually did deliver a surplus.

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Dr Kim Hames

Mr J. NORBERGER: If the member for Fremantle had been here, she would remember that her own party, its leader and the shadow Treasurer had said that if Labor had been in power, it would not be delivering a deficit; it would be delivering multibillion-dollar surpluses. I just want to know how Labor is going to do it. I would happily publish the member's book if it would tell me how to do it. I am happy to give her the accolades for it if she can tell me how it can be done. The problem is that members opposite are very good at posturing and making statements and throwaway taglines, but they cannot tell us how they would actually do it.

We know that, with government fees and charges, that is a definite no. In the pursuit of a gold medal for populist statements and policies, the Labor Party has pretty much ruled out as evil any kind of increase in any fee, no matter how small. It is very chivalrous, and very socialist of it; any fees and charges are evil. However, it did not stop the previous government from freezing electricity prices for year after year, knowing full well that it was creating an ongoing problem down the track. But do not worry about that; that is someone else's problem. Given how vehemently the Labor Party has been opposed to any tinkering with fees and charges, I certainly hope that its methodology would be committed to reversing them if it ever had the chance to be in power. If not, that would be hypocrisy, would it not? So I decided that increasing government fees and charges was out of the question as well.

Clearly Labor was not going to rely on an increase in revenue to deliver these massive surpluses. That would make it a bit more challenging, but we still have the other side of the equation, which is cost reductions, so maybe its master plan is all loaded up with cost reductions. I went to have a bit of a look at that. I thought that Labor must have a pretty novel and unique cost reduction plan considering that every plan this government has introduced to tackle rising costs has been opposed by Labor, so our plans are clearly no good. The Labor Party must have some very novel ways to come up with multibillion-dollar surpluses. There must be one heck of a razor gang working behind the scenes, in the shadows, as we speak. I can only imagine what could possibly be cut by Labor to achieve the outcome it was bragging about. If Labor had been in power post 2008, what would we not have now in Western Australia? I do not think we would have Fiona Stanley Hospital. The previous government seemed to be pretty incapable, or at least unwilling, to get that project underway, unless we count a bulldozer and some fencing. Apparently, the residents south of the river do not really need Fiona Stanley Hospital, so we can forget that. Perhaps we would have no children's hospital. Labor could have cut that. It took this government to get that underway. Surely, Princess Margaret Hospital for Children could have coped for another 50 years, if we patch up the concrete a bit. We could have saved a bit of money there.

Mr F.A. Alban interjected.

Mr J. NORBERGER: Yes, why not? We have good weather; we have a good climate. I do not think we would have had Perth City Link or Elizabeth Quay, and no state-of-the-art stadium. Is the label "Dullsville" really that bad? Not really; we would learn to live with it, would we not? We do not need to reinvigorate Perth. The problem with that is, I think Labor was planning on getting rid of Elizabeth Quay, the City Link and the stadium to pay for its spaghetti net. I do not think there would have been a net saving.

Mr N.W. Morton: What would have been the cost of that?

Mr J. NORBERGER: I think Labor budgeted \$3.8 billion, and it came in at something like \$6.2 billion, considering all the upgrades that were needed. So, really the Labor Party was going to go backwards with that one.

Maybe there would have been no widening of the Mitchell Freeway, maybe no third lane for the tunnel, maybe no extension of the freeway to Hester Avenue—we can all walk to work, can we not? Why not? We have good weather. It would certainly keep the Labor green faction happy.

I thought: Come on, Jan, apply yourself; think more creatively. How would a socialist Labor Party think? That was very difficult for me to do actually, but I applied myself. I said, "Think outside the square." But we do know that the Leader of the Opposition has come up with some extremely innovative cost reduction methodologies in the past. When the current Leader of the Opposition was Minister for Education, we had 264 classrooms at the start of the school year; they were full of students but there were no teachers. That is a novel cost-down initiative right there, is it not? I thought: That is interesting, but it is probably not the sort of strategy we would subscribe to. Anyway, it is the alternative government, and that is certainly a very alternative strategy! We tend to like to have teachers in front of our classrooms! In fact, the whole way the Labor Party goes about its mathematics puts it on the backfoot in the first place. It seems to operate under its own, unique accounting rules that are different from everyone else's. The Labor Party is the only party I know that can look at a budget for a department—take Education, where there is an increase in funding every single year and there has been growth on growth on growth—and somehow turn around and claim there has been a \$224 million cut. That really perplexed me.

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Dr Kim Hames

I know the Labor Party is generally stupid, but I did not think it that stupid. I thought: how the heck did they arrive at that? My only analogy, for members listening, is that it is a little bit like being an employee who is expecting or hoping for a \$10 000 pay rise, and the boss comes along and says, “Jan, you’ve done a great job. I’m really proud of what you’ve done; I’m going to give you a \$7 000 pay rise.” Then the Labor Party turns around and says, “I’ve just had a \$3 000 pay cut”! In perpetuity—every year thereafter—that carries forward. By its mathematics, even though we have increased the education budget year on year on year, because we have rationalised it from an unsustainable model to one that is much more fair and transparent, apparently now there is a \$224 million hole! Apparently, the Labor Party is going to plug that as well. So not only is it going to come up with a multibillion-dollar surplus, but also it is fixing up a \$224 million hole that apparently does not exist but then it does—anyway, it is all very confusing!

We know that public–private partnerships are out of the question. That is the devil incarnate for Labor. It does not matter how good they are, it does not matter how much money they save the taxpayer, public–private partnerships are out.

I will move on. Here is something else. What about maybe fewer police? Maybe that is something the Labor Party could do; it could save a bit of money there. Labor is pretty soft on law and order anyway: “Why would you bother arresting people in the first place if you’re going to let them out later anyway?” That may be an opportunity, but I thought again that it is not really something we would subscribe to; again, I am trying to look at alternative ways that Labor could save some money.

The challenge for me was that no matter how much I tried to think like a Socialist Left, I could not fathom how Labor could possibly guarantee ongoing multibillion-dollar surpluses every year without relying on royalties. I just could not come up with a solution, unless it has the budget equivalent of a magic pudding. I was beginning to think that maybe it was making some pretty silly claims. I thought maybe it was just being a little generous with its accusations, but I thought: Surely not! It would be childish, would it not, to just make frivolous claims without being able to back them up? That is pretty childish. In fact, I would go as far as to say that that is actually fairly desperate. It was at that moment that I had my aha moment and it suddenly all made sense. During his cosy chat with *The Sunday Times*, just recently actually, in a rare moment of complete honesty the Leader of the Opposition let the whole state into his big secret. What is his big secret? The Leader of the Opposition’s big secret is that he is absolutely desperate to become Premier. He is desperate. He so wants to become Premier. I actually wonder whether the Leader of the Opposition sneaks into this place late at night, sits in the Premier’s chair, tries it out, does a little role-play—“Oh, what would it be like if I was Premier?” It must take up his entire thought process. Even I cringed; I cringed on behalf of members opposite. I can only imagine what their reaction would have been when they heard how desperate their leader is to become Premier. If he had said he is aspirational to become Premier, I could have understood that; aspiration is a good trait. Most of the people who vote Liberal tend to be very aspirational people. In fact, most of the population of Western Australia I could define as being aspirational. But desperate? I do not know. Desperation can be quite ugly. Indeed, the Urban Dictionary website definition of “desperate” reads —

Someone who wants something so bad that they will go to great extreme lengths to get it.

Extreme lengths like maybe saying or promising whatever they need to say or promise just to get their desperately desired power rush from leadership? Do not worry about backing it up, do not worry about actually coming forward and explaining how things would be achieved, just say what needs to be said, argue, block, oppose and be contrarian. “I just want to become Premier”, said the Leader of the Opposition. I reckon that strategy fits the Labor Party to a tee. However, there is a bit of a unique irony to this. The member for Collie–Preston stated that he would retire if he thought Labor would lose the next election.

[Member’s time extended.]

Mr J. NORBERGER: When he stated that, the Leader of the Opposition remarked, “Well, you know, Mick sometimes says things that other people might keep to themselves”, yet somehow revealing that the Leader of the Opposition is a power-hungry, desperate, will say and do anything to get elected wannabe Premier. That is somehow okay to share with the whole world! Do not get me wrong: we had the Leader of the Opposition pegged years ago, but we do appreciate his honesty—at least the rest of the state knows his true intentions and modus now. But talk about the pot calling the kettle black. The Leader of the Opposition went on to say, “Please call me Mr Resilience.” Maybe we should call him “Mr Desperate” instead? I think that is a lot more accurate description of him.

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This is not a case of buyer beware, but rather voters beware. We have someone who is so delusionally in love with the concept of becoming Premier that he will do and say and promise and block and obstruct whatever he needs to just to get into that seat. He will work the rest out afterwards.

But that is also where the Labor plan comes unstuck. In order for the smoke and mirrors, the unchallenged, throwaway media sound bites, the unverifiable promises and all the like to have any impact on the electorate at all, Labor is assuming that the WA voting public are fools. Labor has taken WA to be a fool, and that is its biggest mistake. Western Australians are no fools; they do not buy the doom and gloom being peddled by the opposition, and, unlike the Leader of the Opposition, they do not see WA as a second-rate state. Western Australians are hardworking, aspirational people who are proud of this state of ours.

Labor can oppose, block, complain, scaremonger and make outlandish claims, but in the meantime the Liberal–National government will continue to deliver stable, mature governance. We will deliver on a great vision for this state and we will take the people of Western Australia with us on this journey to a better tomorrow through good times and challenging times. We know we have some challenging times ahead. Labor dropped off that journey long ago, and its silly rants and stunts continue to fade into the background as it is left behind. That said, I actually would not be surprised if more people than the member for Collie–Preston consider their future in the 18 months ahead. Labor can have its Mr Desperate. I think I will stick with our steady leadership team any day of the week.

MS S.F. McGURK (Fremantle) [3.58 pm]: Unlike the previous speaker, I wanted to take the opportunity to speak about some of the things happening in my electorate and the effect some of the government's policies are having in my electorate that concern me. This response to the Premier's Statement is an opportunity to do that.

The local government amalgamations—the so-called reform process—is front and centre for people in the broader Fremantle community, as it is for many in the metropolitan area as other speakers have said. Many words could be used to describe the process. It was a debacle, a botched process, and the government was duplicitous in promising one thing before the election and then threatening another straight after the election. In all, it has been a staggering failure of policy management and change management on the part of the state government. It failed to make a case for the need for local government reform. The government referred to it often but did not make the case to the Western Australian public, certainly to the public of the metropolitan area, about why there was a need for change. It failed to outline a process of change. That meant that stakeholders were not brought along in the process. Stakeholders did not understand the process and did not know whether they could in fact be part of the solution. The government failed to drive and manage the change process. It failed to outline a strategy about how it would get to the desired outcome. The Premier's own stated outcome was to reduce the number of councils in the metropolitan area. It did not outline a strategy to bring stakeholders along in the process. It did not provide a convincing reason for change to the public. What does it have now? There was a huge cost to not only Western Australian taxpayers but also to the state government's own books. Expenditure has been wasted on the part of local councils in the number of people hours and in the distraction from work that they should have been doing. A huge financial burden has been imposed on the Western Australian public, particularly in the metropolitan area. The government has set back by years the process of change. Who knows for how long that process for change has been set back?

What do the Premier and the Minister for Local Government now say? What is their response? They say that it is the councils' fault. They say that they are incapable of change, that they are intransigent and difficult to manage. Listening to the Treasurer's rant in the previous amendment debate, he managed to give individual councils a spray in the process. Everyone else is to blame but the government. The government, as the name implies, is there to govern. Its responsibility is to set out a process for change, manage that change, bring stakeholders along and get an outcome. It has failed on all fronts.

There was some hope in Fremantle that the council and the broader community would have a proposal before them that would see a larger Fremantle council including part of the East Fremantle community and some suburbs from the Cockburn and Melville councils. The Fremantle council and the Fremantle Forever campaign was quite positive in its approach to the change process. It is true that in response to the initial proposal—a wholesale amalgamation of Melville and Fremantle, which was such a ridiculous proposition—any alternative seemed attractive. The Fremantle community thought there was a possibility that they would come out with a positive outcome—that is, a larger rate base and a sustainable future for the broader Fremantle area. In failing to bring key stakeholders along in the process and in failing to make a convincing case for change—using the stick and not the carrot of bringing people along—a major section, in this case the East Fremantle community,

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felt completely frustrated. They were not convinced of the merits of the change process. We know the outcome of that vote.

I notice the Minister for Transport is not in the chamber at the moment, but if he was reflecting his electorate in terms of the people of Bicton, a number who contacted my office were very frustrated at not being given a voice in the proposal. The Fremantle community tried to do the right thing. It entered into the process as positively as possible. There was a poor result, as there was throughout the metropolitan area. There has been a staggering failure of effective government on this issue.

I must draw attention to the ongoing failure of this government to invest in Fremantle. Fremantle is our second metropolitan city. It is a key tourism destination and includes the Fremantle port. On so many fronts there has been complete neglect by this government to even adhere to its own promises. I am not speaking about additional expenditure; I am speaking about not honouring its own promises. I refer to the relocation of the Department of Housing to Fremantle. It was an explicit promise in 2012 by the then Minister for Finance. If there was a single action that could help transform the centre of Fremantle, it would be the relocation of the Department of Housing. I would be rich if I had a dollar for every time people commented on the state of the centre of Fremantle, particularly around Kings Square and the old Myer building in the centre of town. People are frustrated at the extent of retail vacancies. Fremantle is not alone in suffering retail vacancies. Online trading and the changing face of retail is a fairly dynamic area. I think there is the potential for niche retail. It is one area that Fremantle does quite well in. People are frustrated at retail vacancies. They are generally frustrated at what they see as a failure to capitalise on Fremantle's potential. It is a major tourist destination and a key regional centre, according to the government's own strategic planning framework.

The government's decision to relocate the Department of Parks and Wildlife to Bunbury was raised during question time. That is not mentioned in the "Government Office Accommodation Master Plan 2012–2018". There is no mention of Bunbury at all. The regional areas of Northam, Busselton and Mandurah are mentioned but there is no mention at all of Bunbury. Somehow Bunbury has a look-in, and good luck to it. The feasibility of relocating Housing was not going to be looked at. We were not told that the government would see whether the figures added up; it was a commitment to relocate Housing to Fremantle. I continue to raise that issue because that initiative would make a huge difference to the local Fremantle economy.

What did the government do? It closed our Fremantle emergency department. In the reconfiguration of Fremantle Hospital and the opening of Fiona Stanley Hospital, it took 1 900 jobs away from Fremantle Hospital. We understand that some of that relates to the new Fiona Stanley tertiary hospital. The former Labor government was part of planning for that hospital. It was its idea. Provision was made in the budget for that hospital. We make no apology for that. Let us be clear that in the last election Labor promised to keep an emergency facility open in Fremantle. If the Labor Party's fortunes had been different in 2013, there would be an emergency department operating in Fremantle today. People do not mind travelling to Murdoch. It is understood that a number of services have relocated there and it makes sense that a range of services are centred at the new hospital. What people object to, particularly with the emergency department, is the nature of the community in Fremantle. Not only is it a major population centre but also we are either home to or attract a number of vulnerable people who, up until the closure of emergency, accessed that department. I am very concerned that those people will be at risk of having worse health outcomes as a result of the closure of that emergency facility. I urge any members who happen to visit Fremantle to take the time to drive down South Terrace to see the state that this government has left Fremantle Hospital in. Some black plastic fencing has been put up along South Terrace in front of Fremantle Hospital. The place is an absolute disgrace. That speaks volumes. It is yet another example of how this government treats Fremantle—its second city—and its citizens with contempt.

Some other services have also been affected in the relocation to Fiona Stanley Hospital. People have made it very clear to me that their concern is not that they do not want to have to travel up to Murdoch. They understand that a new hospital is a good thing. But in the transfer from Fremantle Hospital to Fiona Stanley, a number of services have been downgraded. We raised some of these services in Parliament last year. They include the pain management service, renal patients who were being managed at Fremantle Hospital, and people who suffer from inflammatory bowel disease. These people can demonstrate clearly that there has been a reduction in the number of staff and the number of services from what they had experienced at Fremantle Hospital. A number of key people who have expertise were not picked up at Fiona Stanley and have therefore been lost as a result of the relocation. In the case of people with inflammatory bowel disease, there was a 24/7 telephone service staffed by a nurse who is highly specialised in this area, and people could get advice when they needed it over the phone and be able to deal with situations as they arose with their chronic condition. That phone service is no longer available. That means that these people will now present at emergency, with some having to travel to do that,

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and they will clog up the emergency department, or they will go to their general practitioner, at a cost, as we know, if the Abbott government has its way. These people will now need to see a doctor face to face, when their issue could have been, and in the past has been, resolved over the phone. That seems to me to be an eminently sensible proactive health service. However, that service has been stripped as a result of the opportunistic action by this government to downscale a number of services as part of the relocation to Fiona Stanley Hospital. Not only is that frustrating for patients and members of the community, but also it is very poor economics, because the alternative is that people will have to front up to either an emergency department or a GP, at a cost.

Another indication to my constituents of the attitude that this government is taking towards them is the government's selling off and neglect of state-owned infrastructure. The government has sold off a number of sites. Kaleeya Hospital has been sold, and Woodside Hospital, the old Fremantle Police Station and the Potato Marketing Board site are all in the government's sights, yet we have no indication that one cent of that money will come back as an investment into Fremantle. The government is happy to sell off our assets, but there is no indication that it will use those funds to make any investment in Fremantle.

Government assets in Fremantle are crumbling. I have spoken before in this house—there has also been quite a bit of media coverage—about Fremantle Traffic Bridge. Successive engineering reports have advised that that bridge needs not repair, but replacement. In fact, last year the Premier made his annual, or maybe biannual, trip across that traffic bridge to Fremantle, and when he was asked about it the next day, he said, “It is not looking too flash, is it? It is looking a bit tired. We will do a few repairs, but, yes, it will need more repairs in the future.” Again, that is very poor economic management by this government. The bridge needs to be replaced, not repaired. Repair is not what has been recommended. In the last major engineering report on that bridge, repair was the least preferred option. As we know, at times the traffic bridge is vulnerable to being hit by ships and the like, and the rail bridge alongside it is also at risk. That is a good example of neglect and of assets crumbling.

However, there is no better example of neglect than the warders' cottages alongside Fremantle Markets. This is an issue that I have raised a number of times. The government had made quite a big deal of its \$2 million revolving heritage fund. The government has made a number of announcements about that fund, and it talks about it all the time, yet not one thing has happened to these cottages. Seven months after the announcement, there is no plan for what will happen to these cottages. The government announced late last year, I think it was, that it will spend money on repairs that are urgent and should be done.

[Member's time extended.]

Ms S.F. McGURK: Some of that money will go towards basic repairs that should have been done in the last three years. But there is still absolutely no plan for how these cottages will be managed and restored and used. People absolutely despair. It is tragic.

Finally, on that front, people in Fremantle were alarmed to hear about the prospect that East Fremantle's Royal George Hotel is being considered for an asset sale. That is of huge concern. The National Trust has had extensive negotiations with a developer over a number of years to come up with a proposal that the National Trust is happy with and that the developer believes is feasible. That proposal has been put to the state government, but it has rejected it and has said, “No, we are not going to consider it, because we might sell the building.” I have not seen that proposal, so I cannot comment on its merits. But it is frustrating that the government is considering selling this asset, when the National Trust and a developer have a plan for this site that, as I understand it, would mean that the developer would end up with the option of buying the site. That would be a good outcome. The site would be developed, and the government would eventually get an asset sale. Again, I hasten to add that although I have not seen that proposal, I know there is some local concern about the sale of that currently public asset. At least this is a proposal that the community could consider and that could lead to a better outcome for that significant heritage hotel. However, what does the government do? It says, “No, we do not want that plan. We will just sell it.” We know from other sites, such as the Guildford Hotel, that these projects can be quite challenging. I therefore urge the government to reconsider this matter.

One of the other key issues facing my electorate—this would come as no surprise to members—is the management of freight through Fremantle port. The management of freight in this state as we move into the twenty-first century should be core business for any state government. It underpins our economy. But in acceding to the Abbott government's cry that there will be a major road project in each state, come hell or high water, and in announcing the Perth Freight Link, this government has exposed itself. The government has committed to a \$1.5 billion project that, according to the government's own predictions, will deal with freight to Fremantle for at best the next decade only. It is a plan that, on the government's own interpretation, will be, at best, for the next 10 years, not the next 50 or 100 years, as this state requires.

Extract from Hansard

[ASSEMBLY — Wednesday, 18 February 2015]

p312c-348a

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger; Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti; Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls; Dr Kim Hames

We could get into the freight projections for Fremantle and what is needed in terms of a second port. However, I want to draw attention to one of the most staggering elements of the Perth Freight Link proposal. That is the botched design, which can only be described as a complete joke, even by the most casual observer. Six lanes of increased truck traffic will bottleneck at Stirling Bridge and Tydeman Road. The government makes a big deal of its proposal for the Perth Freight Link in its so-called “Business Case Executive Summary”. The full business case has not been released—only the executive summary. The government says that this plan will deal with Perth’s freight transport needs but in fact the executive summary on page 5 admits that currently —

Suboptimal access to the port and to key strategic industrial areas is leading to reduced freight efficiency.

The case is based on a draft Perth freight transport network plan and a draft state port strategic plan. We have not seen either of those plans. I would have thought they would be fairly important to underpin this massive piece of investment in our freight strategy—but no, they are not available—and this government’s “Business Case Executive Summary” admits that one of the problems currently is suboptimal access to the port and to key strategic industrial areas leading to reduced freight efficiency. Anyone who has been anywhere near Fremantle understands that the constraint of the port exists around Tydeman Road, North Fremantle and over Stirling Bridge. Therefore, either this design is a complete and utter botched effort or the \$1.5 billion price tag for this project is an underestimation, as it does not include dealing with Stirling Bridge. Presumably either Stirling Bridge would have to be duplicated or, alternatively, the area around Tydeman Road from Stirling Bridge through North Fremantle and Tydeman Road through the actual port. Either the design is a complete mess or the government has completely underestimated the amount of money this project could cost if it dealt realistically with the projected number of trucks needed to go to Fremantle port. That is, to me, one of the more remarkable failed assumptions on such a massive infrastructure plan. As I said, major pieces of work that are needed to underpin this metropolitan transport network plan and the state port strategic plan are still not available. That really calls into question the credibility of the government on this project.

Many people are not aware that, according to this plan, the capacity of Fremantle Ports is projected to extend to 1.4 million 20-foot equivalent units. Previously, and until the release of this document, it was 1.2 million TEUs. That is a significant increase in truck traffic through the wider Fremantle community. Again, the executive summary of this so-called business case makes clear that dealing with freight traffic into Fremantle port is only part of the solution. Also needed is a plan to deal with the outer harbour and the need for a second port, which is a 50-year or 100-year plan that is needed from government. The Leader of the Opposition spoke about this matter in his reply to the Premier’s Statement today. People want and expect sound planning from government. They want vision and planning as we move through the decades in this twenty-first century—not just for the short term. Really the only objective that this plan meets is Tony Abbott’s commitment to a major road project going into each state, as I said, come hell or high water, rather than a commitment to the best strategy for managing freight as the metropolitan area and the state move through the twenty-first century.

There are many other criticisms I could make of the Perth Freight Link. The more that people are able to look at the proposal, the more concerning for them it will be to see the amount of precious infrastructure dollars that are proposed to go into this project; again, not the least of which is the tolls proposal that is part of the project. The so-called heavy vehicle user charge is a toll, and in fact the “Business Case Executive Summary” concedes that a strategy on how the tolls will apply still needs to be developed. On page 26, the executive summary states that we will have this state’s first ever toll system, despite the commitment by the Premier that we would never have a toll system. The government said that we would have a toll system but that it has not developed its application. Some staggering assumptions underpin the Perth Freight Link proposal and people should be really concerned about them. People on the government’s own side, who profess to be interested in our economy, in how business works and in how it works efficiently should be concerned and should be asking questions about exactly what the plan is with the Perth Freight Link and the way we handle our port operations, particularly in the metropolitan area where it is a major issue.

In my last couple of minutes I want to briefly echo those members on my side who voiced concerns about the cuts to school budgets. Make no mistake, there have been cuts to school budgets and they have been significant. John Curtin College of the Arts got a call a week before school was about to commence and told that it would have \$400 000 less than it thought last year it would have. I understand that some of that money relates to the number of students enrolled and that there is a variation between the projected number and the actual number of students. However, the cuts that have occurred across all the schools in my electorate since 2013 are unmistakable. The issue was best summed up in an email I received from Winterfold Primary School parents

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and citizens association, one of the P&Cs in my electorate. One of the P&C's representatives spoke about the work that the P&C had done to fund projects that had been previously funded by the school. The email from the P&C representative states —

... Simone,

Just thought I'd update you on the additional requests from the school for P&C funding. In addition to below —

I will outline that in a second —

the school has also requested assistance with the costs of the WIFI network for the school's ipads—the P&C purchased the first 10 ipads for the school last year. I think our treasurer has just written the cheque for this. The cost to the P&C is \$5500.

Our principal has also asked the P&C to consider funding assistance in 2015 for network cabling to connect the kindy to the main school —

If that is not a capital works commitment that should be undertaken by the state government, I do not know what is. The email continues —

I could be wrong there. I think the cabling in itself will be in excess of \$5000.

She also says that the P&C was asked —

... to assist with funding for the school's reward days—something which is of great importance to the school community at WPS. The P&C has committed to funding the Term 4 reward day and at this stage we estimate around \$2500–3000. For a small school like Winterfold this represents about a quarter to a third of our annual fundraising income.

MR R.S. LOVE (Moore — Parliamentary Secretary) [4.28 pm]: It is with great pleasure that I stand to speak today at very nearly the halfway point of this current Parliament. It seems quite amazing that the time has gone already.

Mr D.J. Kelly: Dragging on!

Mr R.S. LOVE: It is not dragging on at all. It has all been very enlightening—for me at least.

The Premier's Statement outlined the priorities for the next year for this government. I want to take the opportunity to outline and discuss a range of issues and subjects that are of interest and of particular importance to me as a regional member of Parliament and as a member of the National Party. These are issues that are of interest to me and my electorate of Moore but in some cases are also of wider interest throughout the state.

In the area of transport, I am happy to reiterate the Premier's report on the progress of Great Northern Highway. The Great Northern Highway project, which is a joint investment by the state and federal governments of well over \$400 million in my electorate, will greatly improve road safety in areas such as the Bindi Bindi bends and on the piece of road currently being redeveloped from Walebing down to Batty Bog Road. This is stage 2 of a three-stage project that will eventually enable triple road trains to access Muchea, instead of being broken up in Wubin as they are at the moment, and then, hopefully, get onto the northern link, which the member for Fremantle does not think will benefit the state. As part of the Perth Freight Link, I think it certainly will be of great benefit to Western Australia and farming and mining operations, especially in my electorate and further afield. In order for stage 3 of the Great Northern Highway upgrade to be completed and for the productivity gain to be achieved, it will be necessary for funding to be applied in New Norcia, which is a historic monastery town and iconic Australian town. Currently, Great Northern Highway traffic rattles through its heritage-listed buildings and interferes with the peace of the monks and the traffic of the tourist trade as they wander around the historic buildings. It will be great to see that eventually bypassed so that the town can be protected from the traffic on Great Northern Highway.

Similarly, Bindoon, which is a small community in the Shire of Chittering in my electorate, is also eagerly anticipating that one day it may live without heavy vehicles moving through its main street. I think it would be a very worthwhile activity for the government to seriously consider at some stage in the future purchasing the land necessary to enable the Bindoon bypass to take place.

The town of Northampton on North West Coastal Highway in the north of my electorate also would benefit from the construction of a bypass, which would make it easier for triple road trains to make their way along

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North West Coastal Highway and onto Brand Highway and down to Perth, eventually increasing productivity greatly.

Mr D.A. Templeman: Do you know what the estimated cost is for the diversion around New Norcia?

Mr R.S. LOVE: Costing was done and, I think, with a bit of uplift, it would probably represent about \$15 million.

Mr D.A. Templeman: It's badly needed.

Mr R.S. LOVE: It is indeed. However, I am not complaining, because we are getting well over \$400 million of investment at the moment. I think that is a significant stake already and hopefully will be topped off by those improvements later on.

The Mid West Energy Project, which is another hugely important project in my electorate and represents over \$400 million of investment, will be completed midyear. This will link major investments around the Karara mine area to the south west grid and, through the additional transmission capacity provided by the Mid West Energy Project's 330-kilovolt lines, will overcome the current network capacity constraints and allow the connection of mining and other loads at Three Springs to facilitate the connection of extra power generation that hopefully will take place in the midwest area. A number of potential generators are ready to develop projects when they have access to the means to onsell their power generation.

In the town of Jurien Bay, the Jurien Bay Boat Harbour suffered a long period of degradation and there was a series of fish and marine life kills that led to me bringing a grievance to this house in November 2013. At that stage, the then Minister for Transport, Hon Troy Buswell, made a commitment to the community at Jurien Bay that he would form a committee to undertake a study of how this situation could be addressed in the long term. I am happy to say that although that committee is still working on the long-term solution, an interim solution of extensive dredging has been put in place and continues, with more than 20 000 cubic metres of dredging material moved to date. That dredge is now working 24 hours a day, seven days a week to restore navigable depths to the Jurien Bay Boat Harbour. Dredging has been completed for an area between the rock groyne and the jetties and the dredge has now moved to the entrance channels. I thank both the former Minister for Transport and the current Minister for Transport for their ongoing support for the Jurien Bay Boat Harbour.

Sadly, the town of Seabird has been the subject of extensive coastal erosion for many, many years. Over those years, Turner Street has been lost to the ocean and extensive public infrastructure has been washed into the sea. Unfortunately, the situation for some private landowners is now dire, with the cliff face no more than a metre away from some properties. This is a very worrying situation for the landowners concerned, but it is also one of great complexity around the areas of responsibility. That has led to obstacles to a solution being put in place. I have worked and will continue to work with the local residents, but it needs a considered response from all players—the local government, the state government and the private owners. This is not just about the cost of the protection of those properties; it is also about establishing the future liability of those players. The fact is that, as a local member, I feel the distress of those residents in this situation and earnestly hope that a solution can be found.

Education is currently undergoing change in my electorate, as it is throughout the state. I am saddened to report that two primary schools in my electorate, Buntine and Latham Primary Schools, are set to close. That is a terrible wrench for the local communities. I am confident that good measures have been put in place to enable the students involved to transition to alternative schools, but it is something that the community, especially at Buntine, finds hard to accept. I am pleased that the minister is proposing to meet with representatives of the Buntine community to see whether there is a way forward.

Mr P.B. Watson: Was the fact that year 7s are going to high school the reason that these schools will be closed? Has that dropped the number of kids at the schools?

Mr R.S. LOVE: That may play into it, but the numbers at Latham would still have been too low even with the year 7s. In fact, the year 7 students are staying at Buntine this year under a special arrangement, so I would say that it has not played into that at this stage.

We have heard about the move to student-centred funding. I think it is a laudable objective to try to make sure that every student in Western Australia has reasonable access to a good education. It is a very good objective indeed. I am concerned that some of the high schools in Moore may come under disproportionate stress as a result of their particular circumstances. Those circumstances are different at each school. I have many district high schools that have quite a small number of students. Mullewa District High School runs a K–12 program and I believe it is unique in my electorate insofar as the population at the school is entirely made up of Aboriginal

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students. That makes it a completely unique demographic for Mullewa and obviously means that some special programs need to be put in place to ensure that those students get the best education appropriate to them.

Gingin and Toodyay District High Schools are close to the metropolitan area and they face daily competition from much larger and more well resourced government and private high schools in places such as Midland, Ellenbrook and Mindarie. A similar situation exists for Northampton and Dongara District High Schools, with many students choosing to attend Geraldton high schools. Jurien Bay District High School is located in a growing community that is remote from other such options and that leads to families moving away from the town. These parents do not come from areas where they have traditionally sent children away for boarding. That culture does not exist, so they see simply relocating to another town or to the city as an option, and that causes problems for the community in Jurien Bay.

Mrs M.H. Roberts: That's because this government got rid of the year 11s and 12s from Jurien Bay. You cut those year groups.

Mr R.S. LOVE: No; there are still year 11 and 12 students, but some of the courses are limited due to student numbers.

The community of Morawa sees education as one of the key assets in its town. The district high school in Morawa, along with the WA College of Agriculture at Morawa, attracts students from outside the immediate area, but Morawa District High School also has been affected by the new funding model. Central Midlands Senior High School, Dalwallinu District High School and Carnamah District High School, which are located in more traditional farming areas, face their own challenges.

My point is not to criticise the student-centred funding model—I think in some ways it is a good solution—but rather to point out that the traditional model of district high schools and small senior high schools may need to be revamped, and that their roles and service-delivery methods may need to be refined, perhaps even revolutionised, so they can provide for student needs in the future. I know those concerns are shared elsewhere in regional Australia. I am pleased that the Minister for Education has kindly offered to visit a number of high schools in the Moore electorate, and I look forward to outlining my concerns to him. I appreciate his willingness to visit.

Local government reform has been on the agenda in Western Australia for some time. The National Party has always supported voluntary reform of local government. To this end, as a private member, I introduced a bill to provide for voluntary associations known as regional subsidiaries to be formed. I am happy to say that the minister has taken that bill into the house. It is my view that this model, along with other measures, will help to reduce the barriers that prevent local governments from aggregating their services to provide cost-effective service delivery in their regions. I think it is a very good step forward, and I look forward to seeing the progression of that bill.

Royalties for regions is a game changer. The decades of neglect in funding regional Western Australia will be overthrown by expenditure under the royalties for regions program. In the past year, royalties for regions has delivered \$1 billion worth of improvements to the regions. It will continue to develop our regions by investing \$1 billion a year over the forward estimates. Royalties for regions is a policy that had its genesis in the single-minded determination of the Nationals to represent their constituents and regional Western Australia generally. The partnership with the Liberal Party has seen royalties for regions, this brilliant brainchild of the Nationals, deliver billions of dollars to many thousands of projects throughout regional Western Australia. I would like to outline a few of the ways that the royalties for regions program is achieving growth in Western Australia. One area it is doing this in is agriculture. We know that the growth in wealth in Asian populations has put Western Australia in a unique position as a supplier of quality safe food to an increasingly discerning Asian population. One only has to look at the recent events around berries imported from China to see how important food safety is to these markets, especially China. A key attribute of Western Australia and Australia as a whole is that we are seen to be safe food producers. Food security is about not only the volume of food, but also ensuring that the food people eat will not make them sick.

A tangible effect of growing Asian markets on Western Australian farming in recent months is the incredible rise in red meat prices. Traditionally, red meat prices have had a very large spread—from high-quality grain-fed steer beef to lower-quality beef from cull cows. In recent times, I am led to believe that processors have never seen the spread of prices so narrow. In fact, in Western Australia at the moment, there is very little difference in the price of the best and the lowest quality meat. That is an indication of the huge demand for protein from safe red meat products from Western Australia in Asian markets. I think it is a great portent of things to come.

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The Seizing the Opportunity program, which is valued at \$300 million and funded by royalties for regions, will assist Western Australian regional communities to grow by developing their agricultural sectors to make the most of the opportunities I just outlined. The program looks to improve the profile of agriculture as a career choice for young people, because without young people going into agriculture, we have no future. We are also looking at fostering agricultural research and innovation, increasing the business skills of farmers and agribusiness operators, reducing any barriers to markets that may exist, and increasing recognition in growing Asian markets of Western Australia as a high-quality, reliable and utterly safe food producer.

The Southern Inland Health Initiative is delivering health outcomes throughout southern regional Western Australia. It is a \$565 million program that is bringing great improvements to health service delivery and redeveloping many hospitals and small nursing posts in regional Western Australia.

Royalties for regions is playing a great role in the area of telecommunications. The recently completed regional mobile communications program provided \$40 million in funding and, with Telstra's involvement, put in place 113 mobile phone towers throughout Western Australia. Following the success of that program, royalties for regions is providing an additional \$45 million to build 85 towers under the regional telecommunications project to further break down communication gaps in regional Western Australia.

[Member's time extended.]

Mr R.S. LOVE: Western Australia is divided into nine regional development commission areas. Many of the regional development commissions have had access to a dedicated fund that has enabled development in their areas. The state's southern regions have not had access to a similar fund. I am talking about the Peel, wheatbelt, south west and great southern regions. The Southern Investment Initiative was established and has about \$600 billion of investment for those four development commission regions over the next five years. In the past, these regions did not have a dedicated plan. They will now share the Southern Investment Initiative's funds. I believe it has been announced that the first \$26.9 million from the initiative will be invested in 14 priority projects in the Peel, wheatbelt, south west and great southern regions. It will be used for a wide range of projects, including recreational and aged-care facilities, affordable accommodation and hard infrastructure such as roads and sewerage. It will also be used to attract tourists.

Mr P. Papalia: But not for Murray–Wellington.

Mr R.S. LOVE: In the Peel region and the south west—so all of those areas are covered.

Mr P. Papalia: I thought Peel wasn't in it.

Mr R.S. LOVE: No; Peel certainly is in it.

Mr P.B. Watson: I bet after six years, you realise you're not being covered.

Mr R.S. LOVE: The member can speak to the people in Boddington, who I think are happy with the announcements that have been made under that initiative.

Dr K.D. Hames: Did they get funding for the new sports centre?

Mr R.S. LOVE: They did. They got a lovely new sports centre. I was actually speaking to the shire president of Boddington not very long ago, and he was bemoaning that he did not think he would ever see the development of decent recreational facilities in his town. Lo and behold, one week later, there was this announcement of the sports centre. It is a fantastic outcome and I think the people of Boddington are very pleased.

Following these initiatives, what are known as blueprints for investment have been developed. There are nine regional development commissions in Western Australia and each is busily preparing regional investment blueprints. The investment blueprints are socioeconomic strategies that detail regional growth and development aspirations and the strategies needed to achieve those aspirations. They outline priority implementation actions and investment opportunities. They provide a unique opportunity for residents in regional Western Australia to examine the future of their region and put in place plans and actions that will lead to the betterment of their communities and the state. Royalties for regions will kickstart investment in the blueprints with about \$292 million, but it is intended that private investment and government agencies will come onboard and play a major part in the development of regional Western Australia.

Recently, we have heard about initiatives for Aboriginal Western Australians. Both the Nationals and the alliance government are deeply committed to improving the lives of Aboriginal people in Western Australia. Royalties for regions strongly supports projects that benefit Aboriginal Western Australians, including a series of initiatives with funding of about \$126 million in the forward estimates. This includes funding for a governance

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and leadership development program, the development of remote Indigenous health clinics and the provision of Indigenous visitor hostels. Key economic development programs such as the Ord–East Kimberley Expansion Project and the Water for Food program will develop pathways for Aboriginal people to participate in the state's economic growth.

The cessation of funding by the federal government for remote Aboriginal communities is causing great concern for people who call those communities home. Indeed, reports in the media today indicate that some people are leaving their community believing their community's closure is imminent. I can assure those people that there will be no sudden changes. I am told that nothing will happen overnight and communities will be funded until July 2016. This whole area is a matter of great interest to the Nationals, especially those members who represent mining and pastoral areas, such as the members for Kalgoorlie, Pilbara and North West Central. I understand that the state government will shortly commence consultation with Aboriginal people, particularly those in remote communities, and other key stakeholders. I can tell members that my colleagues in the Nationals are already talking to their constituents about this matter. As I said, funding is available to maintain the communities through to July 2016, which all responsible members should make known to people in those communities. It is absolute scuttlebutt that the communities will close overnight. I believe my colleagues in the Nationals will support carefully planned future investment by royalties for regions in some of the remote Aboriginal settlements, especially those that have the potential to provide opportunities for their residents.

Many other projects and development streams come under the royalties for regions banner. It is, in my opinion, the greatest commitment ever made by the state government to regional development in Western Australia. The Nationals and royalties for regions are all about enabling regions to take care of themselves in the future. I am sure that all Nationals members of Parliament are proud of not only the huge game-changing policy that has been the cornerstone of our plans for Western Australia, but also the achievements of this government and the alliance between the Liberal Party and the National Party that has delivered royalties for regions.

MR W.J. JOHNSTON (Cannington) [4.52 pm]: I am pleased to rise to contribute to debate on the Premier's Statement. I start by noting that Sinosteel Midwest Corporation today announced that it will not be proceeding with its Weld Range proposal. The company's media release states —

“SMC has extensively explored alternative options to bring Weld Range into production including a smaller scale mine, road haulage to Geraldton, and the extension of the existing narrow-gauge rail network.

“However, the plain fact is that the project needs the economies of a large scale mine and multi-user port and rail infrastructure at Oakajee.

“Despite the best efforts of a range of committed stakeholders, including the State Government, we cannot realistically see delivery of this crucial infrastructure in the near future.”

I contrast that with the interjection by the Premier during question time today when the Leader of the Opposition made the point that Oakajee was not proceeding. The Premier asked, “Who says that?” Another project is lost to Western Australia because the Premier cannot get the Oakajee project going. Members should understand why this project has not proceeded. In 2008, there was an agreement to build the port. That was a decision made by the former Labor government. That decision separated the rail infrastructure from the port infrastructure and allowed the port to proceed as a multi-user facility and for the mines to make their own decision about how they transported their product to the port. This government was elected in 2008 and without a fresh tender, and with no opportunity for anybody else to be part of any arrangement, it connected the port infrastructure to the rail infrastructure. That decision set back that project to the point at which another miner has said that it will not proceed with a project. In Western Australia, 35 positions will be lost because of this decision by Sinosteel Midwest Corporation not to proceed with its mine. SMC makes the point in its media statement that the current iron ore price has made the project much harder, although the company says that it is committed to the project over the long term. I am sure it is, but the point is that if the Premier of Western Australia had not interfered in the arrangements entered into by the former Labor government, this project would have been built. The Premier asks us to tell him where he has made errors. That is a clear mistake. It is very clear this Premier has held back the midwest.

Members should remember that the Premier opposed the former Labor government's decision to deepen Geraldton harbour. There would be no mining industry in the midwest if it were not for that bold decision by the Gallop Labor government to deepen the port of Geraldton. It provided the only chance for mining in that sector, particularly for the junior players that rely on capital markets and need cash flow to get their operations going. Those companies have run into all sorts of technical problems about operations and the problems with Karara

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et cetera, but none of that would have happened if it were not for the bold decision by the Labor government to deepen the Geraldton port, a decision that was opposed by the Premier. In question time today, the Premier said that Oakajee was proceeding, yet on the same day SMC announces it is not proceeding with its project. I quote its media statement —

... we cannot realistically see delivery of this crucial infrastructure in the near future.”

That is a direct quote from the company.

I want to go on to another topic that will draw the attention of the community to exactly how unpopular is the current Premier of Western Australia. I have in front of me a printout from the Newspoll website—the better Premier rating. Newspoll asked: who do you think would make the better Premier? I point out that for the periods October to December 2013, April to June 2014, July to September 2014 and October to December 2014—four reports over 15 months—Premier Barnett rated below the opposition leader. Members opposite might ask what difference that makes. That makes the current Premier the most unpopular Premier in the history of Newspoll in Western Australia. That is probably why he was booed by the crowd at *The Giants* event on Sunday.

Mr P.B. Watson: At least he's had a win!

Mr W.J. JOHNSTON: Yes, indeed, as the most unpopular Premier! On the league table he is at a historic high. He is the most unpopular Premier in the history of Western Australia. From October to December 1992, in the lead-up to the 1993 election, Carmen Lawrence was nearly twice as popular as Richard Court, the Leader of the Opposition. She had 51 per cent support compared with 28 per cent for Richard Court. Even at a time when the Labor Party had been in office for a decade and was about to lose the 1993 election, the Labor Premier was still nearly twice as popular as the Leader of the Opposition. From July to September 1996, Richard Court outpointed Jim McGinty. In the lead-up to the 2001 state election, in a poll taken on 7 and 8 February 2001, Richard Court and Geoff Gallop were even. In fact, that was the first time that Geoff Gallop had approached the popularity of the Premier. Members should understand that it is very rare in Australian politics for an opposition leader to ever get in front of a Premier on the question of who would make the better Premier. This is not just in Western Australia. In 1988, Barrie Unsworth outpointed Nick Greiner in the Newspoll of 17 March 1988 by 41 to 38. Think of that—Barrie Unsworth was more popular than Nick Greiner! This Premier is less popular than the Leader of the Opposition—not just in one poll, but for 15 months he has been less popular than the Leader of the Opposition. Nick Greiner went on to lose in the popularity stakes to Bob Carr in 1992, and then he resigned as Premier. Bob Carr won the 1995 New South Wales state election, but was not the most popular leader. The Premier, John Fahey, continued to be the most popular. There have been instances of Premiers in New South Wales not being as popular as the Leader of the Opposition, and they were replaced, or they lost the elections. What about Victoria? When Jeff Kennett won the election in 1992, he was not as popular as Joan Kirner. It is unprecedented in Australia for a Premier to trail the Leader of the Opposition for such a long time on the question in Newspoll of who respondents thought would make the better Premier. The current Premier is the most unpopular Premier in Western Australia's history, since Newspolls commenced, and he has a record unsurpassed in the entire country for unpopularity as a Premier. We can go to Queensland, South Australia—all the states—and look at the Newspoll and find that our Premier is the most unpopular Premier in the country in history. It is true that the Liberal Party won the last election, and I have no idea what the next election result will be. I have no idea; I cannot know.

Mr S.K. L'Estrange: We will win.

Mr W.J. JOHNSTON: I am glad the member says that. It is the arrogance of the Liberal Party; it will win the election. I just make the point that, in Newspoll, the Labor Party's polling —

Several members interjected.

The ACTING SPEAKER (Mr N.W. Morton): Members! Member for Mandurah, I am on my feet. Member for Swan Hills, thank you. I am on my feet. I am trying to listen to the member for Cannington, and I am not appreciating the interjections across the chamber, and I am sure Hansard is not either. Member for Cannington, you have the floor.

Mr W.J. JOHNSTON: At the time of the election, the Liberal Party's vote was 47.1 per cent of the primary vote, and our vote was 33.1 per cent. The Liberal Party's vote has gone down in Newspoll by 28 per cent since that day. In the two-party preferred polling in Newspoll, at the time of the election the Liberal Party got 57.3 per cent of the two-party preferred vote. In Newspoll it is now 50–50. That means the Liberal Party has lost seven per cent. We know some ministers are saying to journalists that they should not worry about that, just like

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the member for Churchlands, because they are going to win. They are saying to the journalists, “Yes, we’re going to take some skin off, but we’re going to win.” I will just make it clear for members in the chamber. If there were a seven per cent swing across the state, the members for Belmont, Forrestfield, Perth, Joondalup, Morley and Swan Hills would all lose their seats. The member for Balcatta would probably lose his seat as well, and the members for Jandakot, Riverton and Mount Lawley would be on a knife edge. I do not know what the result will be, and I can tell members now, as a former state secretary, that a poll tells us only what people thought; it does not tell us what they are going to think in the future. Let us make it clear what is happening here for backbench Liberal MPs: when the Minister for Corrective Services goes around and tells the stories to journalists, that is what he is saying. He is happy to sacrifice a few backbench seats. He is happy to sacrifice the members for Forrestfield, Perth, Swan Hills and Joondalup. He is happy to see them go. He will keep his job. He is saying to the journalists, “Don’t worry about the fact that we have the most unpopular Premier in the history of Western Australia, and the equal most unpopular Premier in the history of Newspoll in any state of Australia.” This is because the Liberal Party wants to claim stability. We still have to work out who will replace the Deputy Premier in February next year, when he goes to the back bench. The Premier has already announced that members cannot stay on the front bench if they intend to retire at the next election, and he has made it clear that in February next year the Deputy Premier will step aside and the Liberal Party will get to vote on who it will be. It is interesting that we have already had the breakout, in the lead-up to the love-in down at Busselton, that the member for Riverton and not the member for Scarborough will be the deputy leader.

Mr C.J. Barnett: Who’s going to be your leader at the next election?

Mr W.J. JOHNSTON: Mark McGowan.

Mr C.J. Barnett: Will he?

Mr W.J. JOHNSTON: Yes.

Mr C.J. Barnett: I heard it was going to be Stephen Smith.

Mr W.J. JOHNSTON: As Gareth Parker said in his piece in *The West Australian*, the only people telling him that are Liberal members of Parliament. They are the only people telling Gareth Parker that that story is true.

I am happy for the most unpopular Premier in Western Australia’s history to come into this chamber and interject on me about these stories that he and his colleagues are trying to promote in the media. The last thing in the world that I want is for the most unpopular Premier in the history of Western Australia to not be Premier at the 2017 election. I am happy for him to lose the 2017 election, but I do not want the Liberal Party to replace him. The last thing I want to see is the back of the Premier between now and the election, and thank God not a single person on the back bench of the Liberal Party has any guts or understanding of politics to prepare them to do the hard work to get rid of the most unpopular Premier in Western Australia’s history. That is what happens here. We do not care who is the most popular person in this state. We know that that is not the Premier. He spends \$5 million bringing *The Giants* to Western Australia and then gets booed by the crowd. That is what happened. How amazing! Could anyone imagine going to a community event as the Premier of the state and being booed? Then there is the question of whether the Premier had some medical condition that led to the way he delivered the speech. I cannot speculate on that; I was not there, but I have had people raise all these questions with me. He is the most unpopular Premier in the history of Western Australia. Compare his ratings with those of either Alan Carpenter or Geoff Gallop. Geoff Gallop smashed the Premier at the 2005 election, winning 32 seats—the largest number of seats ever won by the Labor Party in Western Australia—and the largest delegation to the upper house in the history of Western Australia. The best result for Labor ever was when the present Premier was the Leader of the Opposition.

I do not know what will happen. It will be entirely up to the people of Western Australia to make a decision, but the one thing Western Australians have already decided is that they do not want this man to be Premier. They have made up their minds. It might be okay in Cottesloe or Churchlands. People might walk up and tell the Premier not to worry about the fact that the Liberal Party did not tell the truth on local government reform; they will still like him. But in the eastern suburbs, the northern suburbs, the southern suburbs and the country, this is the most unpopular Premier in the history of Western Australia. If members do not understand that, they are delusional. No Liberal can come into this chamber and tell us anything other than that this is the most unpopular Premier in the history of the state. The best that the Liberals can say about Newspoll is that it is on a knife edge. They had the largest victory, and now they are on a knife edge. That is the truth; that is what has happened in this state.

I also point out that in the most recent polling shown in the *Australian Financial Review* —

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Dr Kim Hames

Several members interjected.

The ACTING SPEAKER (Mr I.M. Britza): Minister for Health! Members! I am on my feet, member for Albany.

Mr W.J. JOHNSTON: Federal polling in the *Australian Financial Review* on Monday of last week showed that Mr Shorten is significantly more preferred as Prime Minister of Australia in Western Australia than the current Prime Minister, and the Labor Party has a 52 per cent to 48 per cent lead on a two-party preferred basis. I am happy for Liberal backbenchers to be in dreamland, telling me that they will win the election.

[Member's time extended.]

Mr W.J. JOHNSTON: The great thing about arrogance is that the government will not make changes. We saw that yesterday with the Premier's Statement. The Premier's speech this year was reading out press releases from last year. There was not a single new idea.

Dr K.D. Hames: What about all the legislation he announced?

Mr W.J. JOHNSTON: All that legislation has already been announced. There was not a single new piece! One of them was the bioprospecting bill, which was promised five years ago. Five years and it still has not seen the light of day! What about the lobbying laws? That was in the 100-day commitment for the 2008 election and it was going to be here in 100 days! Next we will have the Royal Perth Hospital bill back in front of us. That is the next thing we are going to get.

As I say, I am very happy that all those Liberals over there think they are a shoo-in and do not have to work, because that is the problem; they have given up. That is exactly what we saw yesterday in the Premier's speech. They have given up.

Several members interjected.

The ACTING SPEAKER: I think it will be time to make some calls if we cannot get any silence.

Mr W.J. JOHNSTON: The last thing in the world I want is for the Liberals to tell me they are worried. I do not want them to tell me that; I want them to come into this place and arrogantly say that they are going to win the election, just like the members for Churchlands and Forrestfield did. That is exactly what I want, because everybody knows —

Mr N.W. Morton: When did I say that, you muppet?

Withdrawal of Remark

The ACTING SPEAKER (Mr I.M. Britza): I want you to withdraw that. Did you say "muppet"?

Mr N.W. MORTON: I may have.

The ACTING SPEAKER: You may have? I want you to withdraw it.

Mr N.W. MORTON: I withdraw the reference to muppet, but I still stand by the comment.

The ACTING SPEAKER: Member for Forrestfield, you will withdraw the comment completely.

Mr N.W. MORTON: Fine.

Mr P.C. Tinley: Call him. He has canvassed your decision!

The ACTING SPEAKER: Excuse me; I am on my feet!

Mr N.W. Morton: When did I come in here and say I was going to win?

Ms R. SAFFIOTI: The member for Forrestfield has not withdrawn his comment.

Mr N.W. Morton: Yes, I did withdraw.

The ACTING SPEAKER: Yes, he did. He withdrew it after I called him to do it.

Debate Resumed

Mr W.J. JOHNSTON: One of the interesting things is that last week —

Mr N.W. Morton interjected.

The ACTING SPEAKER: Excuse me, member for Forrestfield, I call you for the second time.

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti;
Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls;
Dr Kim Hames

Mr W.J. JOHNSTON: Apparently in the party room last week Tony Abbott promised that he would stop his staff leaking to journalists against Liberal members of Parliament. He said that if any Liberal staffer on his staff leaks to journalists against Liberal members of Parliament, he will sack them. Of course, he has a history of doing that because he actually sacked the member for Jandakot when the member for Jandakot sat in Aussies Cafe in federal Parliament House and told Simon Crean about issues to do with a Liberal senator and her staff.

Mr J.M. Francis: Have you been taking drugs?

Mr W.J. JOHNSTON: This is recorded in a book called *Latham and Abbott*. I also point out —

Withdrawal of Remark

The ACTING SPEAKER (Mr I.M. Britza): Member for Jandakot, you need to withdraw that statement.

Mr J.M. FRANCIS: He is making stuff up about me from 15 years ago!

Ms R. SAFFIOTI: The member for Jandakot has impugned the reputation of the member for Cannington, and I ask him to withdraw.

The ACTING SPEAKER: I have asked him to withdraw that comment about drugs.

Mr J.M. FRANCIS: I asked a question. I did not accuse him, I asked —

Several members interjected.

Mr J.M. FRANCIS: No! I asked a question! He is making accusations about something I allegedly did 15 years ago!

Several members interjected.

The ACTING SPEAKER: Withdraw the comment.

Mr J.M. FRANCIS: I will withdraw it.

Debate Resumed

Mr W.J. JOHNSTON: As I say, there is a history here. Tony Abbott sacked the member for Jandakot for leaking to Labor members of Parliament about a Liberal senator in New South Wales. The leak was regarding the allegation by the member for Jandakot that a left-wing Liberal senator from New South Wales was allowing her staff to use resources for internal affairs of the Liberal Party. That led to an article in the newspaper in Sydney—I cannot remember which one it was; it was on page 2 or 3—and it is recorded in the book —

Point of Order

Mr S.K. L'ESTRANGE: Relevance?

Several members interjected.

The ACTING SPEAKER (Mr I.M. Britza): There is no point of order.

Debate Resumed

Mr W.J. JOHNSTON: As I say, it is recorded in a book. The member for Jandakot and I have talked about the fact that he got sacked by Tony Abbott. It is well known. As I say, Tony Abbott has a history of sacking Liberal staffers for what they have done.

Point of Order

Mr C.D. HATTON: I think the point raised by the member for Churchlands on relevance is totally true, and also —

Several members interjected.

Withdrawal of Remark

The ACTING SPEAKER (Mr I.M. Britza): Member for Albany, did you call him a muppet?

Mr P.B. WATSON: Yes.

The ACTING SPEAKER: I have already called him once; I want you to withdraw that statement.

Mr P.B. WATSON: I withdraw.

Mr Tony Simpson; Mrs Michelle Roberts; Dr Mike Nahan; Dr Tony Buti; Deputy Speaker; Mr Jan Norberger;
Ms Simone McGurk; Mr Shane Love; Mr Bill Johnston; Acting Speaker; Mr Nathan Morton; Ms Rita Saffioti;
Mr Joe Francis; Mr Sean L'Estrange; Mr Chris Hatton; Mr Peter Watson; Ms Libby Mettam; Mr Brendon Grylls;
Dr Kim Hames

The ACTING SPEAKER: Members, there is no point of order, but I do caution the member to keep as close to the debate as possible.

Debate Resumed

Mr W.J. JOHNSTON: Page 161 of *Latham and Abbott: The lives and rivalry of the two finest politicians of their generation* by Michael Duffy, reads —

But it was people closer to home who were Abbott's pressing problems. First Oldfield. Then, in late September, Labor asked a question in the Senate about left-wing female government staffers flying from Canberra to Sydney for a meeting. It emerged that Joe Francis, one of Abbott's right-wing staffers, had provided the information to the opposition in the hope of damaging a left-wing Liberal politician. Abbott was appalled to learn that Francis had been hawking the information around in the parliamentary coffee shop, and sacked him.

As I say, the Minister for Transport today in question time was complaining about people leaking against him. Let me make it clear to the Liberal ministers and backbenchers: we did not hawk any story around about the Minister for Transport, but there may be people much closer to home who were guilty of this issue. The Minister for Transport should not look over here to find the source of a leak out of his own party; he needs to look to the other side to find the source of the leak from his own party. I make the observation that it is not possible for the Labor Party to leak information from the Liberal Party. If we knew something, which we did not, the only way we could have known is if somebody had told us. The facts are, as every journalist in this state is aware, that these issues did not come to their attention from the Labor Party regarding the breach of ministerial standards by the Minister for Transport. It was not us who did that. If the minister wants to know who leaked, he needs to ask his own side. It is not possible for a Labor member of Parliament to leak information from inside the Liberal Party. It is only possible for a Liberal to leak information from inside the Liberal Party. There is only one person in this chamber that I am aware of who did that in the past, and that was the member for Jandakot.

Several members interjected.

Mr W.J. JOHNSTON: I want to move on to another topic; I only have eight minutes left.

At the release of the *Government Mid-year Financial Projections Statement*, the Minister for Energy boasted about the savings that he showed in the midyear review for the operating subsidy of Synergy. It is interesting, of course, that the midyear review in 2013-14 also referred to the Synergy operating subsidy, and that it increased. Remember, the only decision between the budget and the midyear review in 2013 was the amalgamation of Verve and Synergy. This year we see that, in fact, when we net off the decrease this year with the increase from last year, the change over three years is \$227.2 million of additional subsidy being provided to Synergy since the decision to amalgamate the two entities. That is \$117 million in the current financial year, \$67.1 million in the 2015-16 financial year and \$43.1 million in the 2016-17 financial year. That is when one nets off the additional moneys from last year against the alleged savings this year. There is another problem for the government in Synergy—it promised to keep the increase in tariffs to the rate of inflation. Of course that is not what is shown in the out years. That is a multimillion-dollar problem for the government.

In the last few minutes I have, I will turn to an article in *The West Australian*. I am looking at an online article but I know it was printed in the paper as well. The article, dated 3 February 2015, relates to the new Burswood stadium. It states in part —

With the stadium's operating plan assuming that 50,000 people, or 83 per cent of a capacity crowd, will arrive by public transport, capacity constraints on the network in peak times loom as a major obstacle to weeknight events.

There is a quote from Ronnie Hurst, a project director at the Department of Sport and Recreation, who said —

“The PTA are already on the public record saying that is going to pose challenges”.

Department of Sport and Recreation director general Ron Alexander, who is joint chair of the stadium project's steering committee, said: “We haven't had a yes or no (from the PTA).

“We've had an 'It's tough'. We haven't been told they can't.”

The government decided to spend \$2 billion on the stadium but it does not know whether the stadium can be used on Monday, Tuesday, Wednesday, Thursday or Friday night. One would think that if somebody wanted to plan something, they would make sure it was able to be used before putting up \$2 billion of taxpayers' money. One would think so. The government says, “We're going to have concerts at the stadium.” Not on a weeknight, apparently. It is all right on Saturday or Sunday. Friday night football, the number one AFL match each week,

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cannot be played at the stadium! Two billion dollars will be spent but Friday night football cannot be played. What sort of people are running this state? What is happening here? Why would the government decide to spend \$2 billion before it knew whether the stadium could be used? I imagine this is a very complex question. That is why, on 24 November 2011, I asked the Minister for Sport and Recreation all those questions. In question on notice 6489 of the last Parliament, I asked all the questions about what was being done to get people to the stadium. What did the government tell us? The then minister replied —

- (i)–(m) While initial planning has been undertaken, a transport masterplan is currently being developed for government consideration. As part of the plan, specific, detailed information will be developed relating to issues including route plans, resources and patronage ingress and egress. Government will then consider the plan and make decisions.

What happened to that plan? On 3 February 2015 the person who is jointly in charge of the stadium does not know whether anybody can get to the stadium on a weeknight; yet in 2011, when I was an opposition backbencher, I was able to work out that it would be a problem. Everybody on the other side says that I am not very intelligent but I was able to work it out. All the geniuses on the government side, as well as 100 000 public servants—none of them—can answer the question. What is wrong with this picture—\$2 billion of government expenditure and the government does not know whether anyone will ever be able to use the facility for what has been promised? Is that planning?

That was not the last time I asked questions on these issues. I asked other questions. Last year I asked the current Minister for Transport —

... how many patrons are expected to arrive at the stadium station by train from the Perth City Station?

The Minister for Transport ended up replying —

... 25,000 people on forty eight trains between Perth City Station and the stadium station over two hours ...

That is the problem; because every train that is currently in the possession of the Public Transport Authority is in use at five o'clock in the afternoon, if government members had not noticed. In fact the trains are crowded and we need more. Yesterday, the Premier said that 21 new trains he had ordered four years ago will be put into service. In all of that, he said that it will reduce congestion. That is right; every single train is currently being used. What will the government do? Is it going to buy more trains to have them sitting in a siding so that they can be taken across the bridge? It is worse than that, because the Minister for Transport also said —

... a mix of special event services and regular timetabled services on the Armadale and Thornlie lines.

My constituents, who already take a crowded train to Queens Park, Cannington and Beckenham, will have to travel from the city to Burswood with football passengers on the same train! They already hardly fit on, and the government's plan is to stuff more football fans into the same carriage. Is that not a good idea?

Another thing members might not realise is that people on the Midland line have to walk from Claisebrook train station to the new stadium. Do members know that? Do they know that they are expecting it to take at least two hours to get to the stadium?

MS L. METTAM (Vasse) [5.26 pm]: As the member for Vasse, I welcome the opportunity to respond to the Premier's Statement. In my inaugural speech I talked about significant challenges the region faces with population growth as well as opportunities in the areas of tourism and small business. The City of Busselton expects a growth rate of about 3.5 per cent between now and 2026, making it one of the fastest growing areas in regional Western Australia. Seventy per cent of the wealth created in the region is from the service industry. Vasse has some of the best wine, which is being produced in the current vintage. Vasse also has some of the richest produce, events and natural attractions in the state, if not in the country. It is an ideal location for tourism and a great place to live. As the Premier pointed out, the Liberal–National government supports the growth of this area.

In his statement, the Premier referred to the significant hospital program impacting the whole state, including a \$7 billion rebuild of the state's hospital system. Fiona Stanley Hospital is now fully operational. Perth Children's Hospital and Midland Public Hospital are set to be completed. The government is delivering good news in the regions with hospitals in Kalgoorlie, Broome, Carnarvon, Exmouth, Onslow, Karratha, Esperance and Merredin.

As the new member for Vasse, there is much excitement in the electorate about the opening of the new Busselton Health Campus early next month. This \$120 million health campus is the state government's investment in the

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future of health in the region. The Busselton Health Campus will be a modern, one-stop healthcare hub for the community of Busselton and neighbouring towns. There will be 84 beds, including six renal dialysis beds, expanded dental health services, and an expanded emergency services department with 15 bays. It will have state-of-the-art information technology functionality and equipment.

As one of the fastest growing regions in the state, it is exciting to see this population growth being supported by a state-of-the-art health facility. It represents a major step forward in health provision in this region. The Department of Health will hold an open day for the community on 5 March. On the weekend, I caught up with some volunteers in the electorate who talked about their great excitement at the prospect of looking at the hospital before it is fully open and operational. I caught up with over 100 volunteers from the Busselton–Dunsborough Volunteer Centre. They are very keen to visit the hospital at the beginning of March.

The Premier also outlined in his statement the transformation of Perth and the diversification of our economy. There are exciting times happening in the tourism space in Vasse, which covers Busselton, Dunsborough, Yallingup, Cowaramup and Gracetown. Tourism is a vital industry in Western Australia, and in the electorate of Vasse it spells jobs for small businesses, which are the heart of the local economy. Recently I represented the Minister for Tourism at the opening of Club Marine Geographe Bay Race Week. This event is Western Australia's premier yachting regatta. It attracts over 100 yachts, with over 500 competitors. In addition to the exciting action that takes place on the water, there are many social events, with an opening-night concert, local entertainment, a ladies luncheon, and a cabaret show. It is proudly sponsored by Tourism Western Australia's regional events scheme, which is jointly funded by royalties for regions. This scheme has supported over 200 regional events since 2011. The regional events scheme supports smaller, developing regional events. I had a chat today with Jeff Deveny, the operator of the local taxi company in Busselton, about some of the spin-offs from this event and the amount of business that this event has generated, such as taking yachties across the region to wineries and to enjoy the delights of the Vasse electorate.

Last year, the total spend in this state from tourism was \$8.3 billion, of which approximately \$3.5 billion was spent in regional Western Australia. The state government's plan is to increase this spend to \$4.75 billion by 2020. Regional events such as Geographe Bay Race Week play an important role in achieving that goal, because they attract visitors and help promote the region through media exposure. They also add vibrancy to regional towns.

A growing area in tourism in not only the Vasse electorate, but also the state is the cruise ship industry. That is strongly supported by the Liberal–National government. Next month, the second cruise ship to visit the Vasse electorate will arrive in Geographe Bay. From a state perspective, cruising is the fastest growing sector of the tourism industry. It is a valuable part of the WA tourism sector, which is set to grow to \$12 billion by 2020. The “Western Australian Cruise Shipping Strategic Plan 2012–2020” includes initiatives for marketing this region as world class, and investing in cruise education workshops to up-skill our volunteers in the electorate of Vasse, including Busselton. This strategy is now in operation in Western Australia. Western Australia now has 10 cruise ship destinations, including Fremantle, Esperance, Albany, Bunbury, Exmouth, Broome, Port Hedland and Augusta, and, of course, Busselton. We welcomed our first cruise ship last year, with over 2 000 tourist embarking on the shores of Geographe Bay, many for the first time. This event provided a terrific buzz for the Vasse community. Visitors were welcomed by the Busselton Senior High School band, a healthy number of volunteers, and members of the local repertory club. After this visit, we will have another 2 000 visitors who will be talking about this beautiful region to their friends and family, putting Busselton and the Margaret River region even more on the map. Over the next 12 months, it is tipped that at least 12 more cruise ships will visit the shores of Geographe Bay. This is another big leap forward for the region. I would like to take this opportunity to congratulate everyone involved in getting these deals over the line, including the South West Development Commission, the Geographe Bay Tourism Association, the City of Busselton, and Tourism WA, for setting the scene and providing the support to make this happen. Initiatives such as this are important, because they provide greater diversity to the economy and essentially jobs in the electorate.

The Premier's Statement referred to 2015 as being the year of consolidation for the Liberal–National government, when many of the decisions taken, commitments made and plans put in place over the past six and half years will be realised. This government is continuing to deliver for the electorate in many good ways, to ensure that we can do business better.

I should touch briefly on liquor licensing reform. We know that since 2008, the number of small bars across the state of Western Australia has grown from 13 to 95. The state government's response to the liquor control review will see red tape reduction measures for local producers and the hospitality industry. This is positive news for local operators and the region as a whole. Anything that the government can do to make it easier to provide

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customer service in this space is obviously welcomed. These reforms will reduce the administration burden for small business operators and open up opportunities for people to showcase their wares and their wines. I recently caught up with Red Sweeny of Snake and Herring wines. He is awaiting and keenly anticipating the introduction of the new legislation into Parliament, because it will enable him to do business better. According to Red —

These measures reduce risks to operating a wine business by providing a secure pathway to market that you can invest in and be in control of your destiny. It's also great for regional towns, providing some colourful retail opportunities that only enhance tourism.

These reforms, which include Sunday trading for local regional liquor stores, including in Busselton, will enable accredited tourism operators to sell small quantities of alcohol and support the tourism values of the Vasse electorate. However, reducing the barriers to trade and reducing regulation comes with additional responsibility. I believe the overwhelming majority of service providers operate responsibly, as do the patrons, visitors and customers. I am very aware that many people in the wine industry will also welcome these reforms, because they will enable producers to establish a collective cellar door retail outlet. I have been approached by many in the electorate who are anticipating the introduction of this legislation later this year. Ultimately such changes will be of benefit to the consumer experience and will help make the region an attractive tourism location and a place in which to experience the products that the Vasse electorate has to offer.

I noted in the Premier's Statement that Western Australia is the only state in Australia in which the proportion of kids in public schools is growing. I am proud to have served on school boards in both Busselton and Dunsborough, and as a mother as well I appreciate all the efforts that are made by the school communities in the lead-up to the school year. In the context of significant reform, the shift of year 7s to high school, and the student-centred funding model, it has been a terrific start to the year. At the beginning of the 2015 school year, there was a teacher in front of every classroom, and an additional 550 schoolteachers. As we know, Western Australia has the highest paid teachers in the country. We also have the best resourced schools. Funding has grown from \$2.8 billion to \$4.6 billion since the Liberal-National government came to office in 2008. That represents a 12 per cent increase per student.

We are not only growing, but also reforming. The student-centred funding model represents a fairer, more transparent funding model that prioritises funding per student and, just as importantly, takes into consideration remote areas, Aboriginality and students who do not have English as their first language.

I also need to speak about the independent public school program, which is a great success of the Barnett government. In my area, all the public schools are now independent public schools, which is a testament to the success of this program and what it has been able to do in empowering local school communities and giving principals and schools the opportunity to manage their own budgets and provide a school program that best reflects the students and the school area.

We have also seen the shift of year 7 students into secondary school in 2015. Again, this is a positive step forward for education in the state. Since being elected as the new member for Vasse, I have taken the opportunity to speak with schools across the electorate about the transition to high school and the feedback has been very positive. The preparedness that I have witnessed within the school community is the product of a lot of consultation and work in supporting such changes. The decision was announced in 2011 and it has now been implemented, with the introduction of the national curriculum for year 7s providing students with specialist attention in line with the national curriculum in the core disciplines of English, maths, science and history. I appreciate that this has involved a lot of hard work in education and infrastructure, and it is a credit to the year 7 project team that has been involved in the transition and has made the transition so smooth across the region. I have already spoken about Cape Naturaliste College in Vasse, which was one of 29 schools across the state that was successful in attaining funding for infrastructure for its additional classroom for year 7s. The total cost of this across the state was \$230 million.

This week I took the opportunity to meet the principals from the local schools in the area, including principals from Geographe Primary School, Busselton Senior High School and Cornerstone Christian College. I believe our schools are in very good hands.

This is just a snapshot of the impacts that are being felt as a result of the good work that has been delivered by the Liberal-National government, supporting the growth of the region with health care, education, investment in the tourism sector and jobs in the area and providing much-needed red tape reduction and liquor licensing reform, and this is being felt in the Vasse electorate. I believe it is an exciting time in the region and for the future of the electorate.

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MS R. SAFFIOTI (West Swan) [5.43 pm]: I rise to make my contribution to the Premier's Statement. Today, as the shadow Minister for Planning, I will focus primarily on the planning portfolio and some of the key planning issues that the state is facing and the future of Western Australia. As I said yesterday, we heard the Premier talk about a year of consolidation. The Premier has basically bankrupted the state and, as a result, he does not have the funds to provide the necessary infrastructure throughout our suburbs. There are a number of planning issues occurring across the suburbs. I know that they are issues that are very interesting for both our side and the other side, because a number of members are actively involved in some of these community debates. I think that is a healthy thing, because we need to get the planning system right so that we can house the community for generations to come.

There have been some changes and some reform, and I note that the Minister for Planning outlined some of those yesterday. Although we can debate whether there have been enough, I think we need to look at how we do planning in WA, the departments, what their motives are, what their focus is and how we can do things better. I want to go through a number of different aspects.

Firstly, I want to talk about the metropolitan region improvement tax, and I spoke about this in the media last week. As many members know, people who pay land tax in the metropolitan area pay a metropolitan region improvement tax. It is a tax that is held by government in the metropolitan region improvement fund to fund the purchase of land for public purposes. We are talking about land that is needed for future rail lines, future roads and future regional sporting projects. Basically, it is a tax that is collected by government and hypothecated to be spent on assets and land acquisition for future generations. Because of the severe financial trouble that the Premier has left the government in, this money is being kept in the account and is not being spent each year on what is needed.

I will go through the facts, because they are before us; they are answers provided by the minister in Parliament. I asked for a 10-year analysis of how much metropolitan region improvement tax has been collected and how much has been expended on land acquisition. In 2003–04, \$43 million was collected through the MRIT and \$60 million was spent on land acquisition. In 2004–05, \$47 million was collected and \$53 million was spent. During the Labor years, what was collected through this tax was spent on land acquisition. That is very important, because this money is there to fund infrastructure for the future. The land needs to be bought now because that will reduce the costs in the future and also reduce the impact on landowners. This is a key point. A number of landowners throughout the metropolitan area who have land that is reserved under the metropolitan region scheme basically cannot progress with their lives. The land is reserved so they cannot sell it. Who would buy it? They cannot develop the land because there is no use adding value to the land if a portion of it is reserved under the MRS, and the government is not willing to purchase the land at an appropriate time.

The figures are staggering, and I will go through them. In 2008–09, \$82 million was collected by the government through the MRIT and \$48.9 million was spent. In 2009–10, \$73.8 million was collected through the MRIT and \$59.4 million was spent. In 2010–11, \$77.8 million was collected and \$44 million was spent on land acquisition. In 2011–12, \$84 million was collected and \$52 million was spent. In 2012–13, \$85 million was collected and \$42 million was spent. In 2013–14, \$87 million was collected and the figures we received yesterday show that only \$36.8 million was spent on land acquisition. This government, which is meant to be the party of property rights and defender of landowners, is taxing landowners and not using the tax for its intended purpose. The bank balance of the metropolitan region improvement fund has increased incredibly. The figure is absolutely staggering. As at 30 June 2008, \$8.06 million was sitting in the metropolitan region fund bank account. As at 30 June 2014, that figure had increased to \$198 million. Basically, a tax that is collected from landowners for a specific purpose—a hypothecated tax—is not being used for the reason it is collected, and the government is just banking that money to try to improve its disastrous net debt figures. Even worse, the projections for 2014–15 show that by the end of June this year, the bank balance in the metropolitan region improvement fund will be over \$220 million. Let me make this very clear: this means that land is not being purchased now for our regional playing fields, our roads or our rail lines. This means that the cost will increase for future taxpayers. It also means that we are leaving landowners in limbo for many years. A classic example in my electorate is the current metropolitan region scheme reservation for the Perth–Darwin highway north of Marshall Road and Reid Highway. It is basically a MRS reservation. The key problem is that the PDH alignment has changed, the road will be built in a different place, and landowners who currently have land reserved under the MRS will have no certainty for many years. Partisan politics aside, I truly believe that this is a genuine issue. This sometimes involves elderly people who need to get on with their lives, or young people who have had a baby and who want to redevelop their house, but the future is uncertain and they cannot afford to spend money on their properties only to have them reserved or bought out later.

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My understanding is that more and more of these cases are going to arbitration. The government is not showing goodwill by sitting down with these landowners and making the appropriate purchases at the right time. This is wrong on so many fronts. It is wrong because this government is leaving landowners in limbo, and it is putting off and increasing costs for future generations. I know that for me and many of my colleagues, including the member for Armadale, the member for Butler and the member for Warnbro, that the issue of regional playing fields in the outer metropolitan area is an increasing problem. A study was undertaken last year about different types of open space throughout our community and the difference between public open space and active open space. All the analysis showed that the amount of active open space being created in the outer suburbs per head of population is dramatically lower nowadays than it was 40 years ago. That has an impact on not only the level of activity in the community, but also the size of blocks in the outer suburbs, which are smaller. Those blocks do not have the backyards that some of the blocks in the older suburbs have, and we will end up with less active open space per head of population and homes being built on smaller blocks. Of course there are water issues, which is a major contentious issue. But we need to start planning better for the future, particularly in relation to the expenditure of the metropolitan region improvement tax. This has flown under the radar a bit, but the amount of unspent metropolitan region improvement tax is disgraceful. The Liberal Party is meant to represent landowners in this Parliament, but it has actually turned its back on them. The increasing feedback we are getting on this side is that it is becoming a major problem; it is a major problem for the development industry, for landowners and for homebuyers who are not getting the infrastructure and the services when they need them.

I just wanted to highlight those statistics. I came across those bank balances only recently. I had done a 10-year analysis of the annual expenditure, but when I went to those bank balances to see the massive increase, I was staggered that as of 30 June 2008, \$8 million was sitting in that fund. We believe that it currently holds \$198 million, and we anticipate over \$200 million being spent from that fund by 30 June. That is a specific criticism with regard to the metropolitan region improvement tax. One of the other key points that I want to talk about today is the issue of sensible and orderly planning in our community.

The ACTING SPEAKER: Members, the volume of conversation is getting a little bit louder.

Ms R. SAFFIOTI: The debate over infill has gone. I remember when the then Minister for Planning and Infrastructure, Alannah MacTiernan, introduced the concept of network city and transport-oriented development. There was a lot of debate at the time and a lot of noise about infill and density. That debate has gone and both sides have the objective of density and infill. Even though many people tried to make some cheap political points against the government at the time, we have all moved on. We have differed in our numbers; we were up around the 60 per cent mark and the Liberal Party was around 47 per cent. However, the objective is out there. Everyone recognises that to house future populations we have to be far more sensible with the land that we have. Where I think we are failing is with the mechanism to achieve this. There is rising angst throughout the community about infill in particular pockets, and I know the member for Perth acknowledges this and other members in this place have had to deal with it. This is occurring because of the lack of sensible planning. Many different words or descriptions have been used about planning for the future and where we should have infill.

The concept that I have heard and probably subscribe to is density where it deserves to be—so basically looking at areas where we believe there should be density as a community. It may be around major transport routes or a particular suburban shopping centre that needs to be upgraded. It may be around some public open space that needs reactivation, but it is the concept of “density where it deserves”. My problem with the strategy undertaken by this government is that, first of all, it is nowhere near meeting its infill target. The infill target was 47 per cent under Directions 2031 and it is achieving 28 per cent. This government is not meeting the objective, which is a real issue.

Mrs G.J. Godfrey: We are in Belmont.

Ms R. SAFFIOTI: People talk about Belmont being quite a proactive council and how it looks at more precinct planning rather than individual lot planning, so I will take that interjection on board. But by using this lazy approach to infill, we will start to see a community sentiment against density and infill, and that is a problem for future governments and today’s government. As I said, we need to work with community and council to achieve density where it deserves. It does not mean that every suburban street that hits a particular zoning should allow multi-dwelling apartment buildings to be built next door. But I am afraid that many of the initiatives that were put through in a quest to achieve the infill targets are basically creating community resentment and problems throughout the suburbs. They include things like infill targets per council, the multi-dwelling changes that happened in 2015, and then the Joint Development Assessment Panel process. We know they are there because we have all been contacted by the particular groups. They are scattered throughout everyone’s electorates in the

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metropolitan area. We have to sit down with councils, and the community most importantly, and identify where we believe that density should be. That does not mean an apartment building on every residential street dominated by single residential homes. All that does is create angst in the community and a push back. Councils are now dezoning because they do not want that negative community impact. The other key point is the concept of how we plan in the community. We are better off looking at precinct planning rather than individual lot planning. To achieve those density targets we need to look at an area and see what we can deliver for that area.

I have told many people over the past couple of months that people accept density if it comes with improved community amenity, including better public transport nodes, more high-quality public open space, high street shopping precincts or whatever. People accept density if they get something with it, but they will not accept density if they get only more cars on the verges and people overlooking their backyards. That is why we need to move towards precinct planning. It is happening in some pockets, including the Scarborough Beach redevelopment and other areas.

[Member's time extended.]

Ms R. SAFFIOTI: I think Cockburn, which was started under the previous Labor government, is an example of a classic transport-oriented development. I am not saying that it does not happen, but it is not happening on the scale needed and there is no orderly process for development. People get very irritated when they are asked to cop an apartment building next door to their single residential home, and then see a neglected and underutilised main street. Local members are calling out for regeneration and for the government to focus on their areas. The member for Mirrabooka has stated in this place hundreds of times that she wants work done in Mirrabooka. For six years the member for Gosnells has been pleading for work to be undertaken around the Gosnells train station. Frankly, that is a perfect example of an area that is connected to road and rail transport, and its proximity to the central business district is fantastic, but assistance is needed for the area to get moving. We have the objectives, but the mechanisms are not there. The Metropolitan Redevelopment Authority focuses on specific projects—I call them the “special projects”. I am not going to debate those “special projects”, but we need the MRA or a similar agency to work with councils and communities. I am not saying that the MRA should take over the entire metropolitan area, but I am saying that we need a body that can work with councils and communities. The Town of Victoria Park is a classic example. The member for Victoria Park attended a public meeting at the town last night. The council has been trying to get the revitalisation of the Town of Vic Park underway for 10 years. A deal was finally done with LandCorp, which, frankly, was terrible, but the council did not give up—I do not know what it did. The deal with LandCorp created a town centre but it did not involve the community and, looking at the objectives, it does not improve the public amenity in any way. Again, it is about working to get housing density where it deserves to be, and giving more certainty to the community and developers. Developers have a role in our community to help provide housing—it is as simple as that—but they need guidance and strategic direction. Greater clarity in this process helps to reduce costs. The holding costs, uncertainty and planning risks undertaken by many developers are reasons we cannot control land costs as much as we would like.

I will talk broadly about the lack of coordination between transport and planning in this state. The previous Labor government had a planning and infrastructure portfolio that aimed to coordinate transport and planning. Whether that happens again or we keep separate portfolios, the two agencies need to be talking to each other. The transport plan needs to link with what the Western Australian Planning Commission and the Department of Planning are doing. I have seen no evidence of this so far. What is worse is that I have seen bad plan after bad plan that has created enormous risk and uncertainty in the development community. The Metro Area Express light rail project is a classic example. The government told people to buy land in Mirrabooka, along Fitzgerald Street or whichever street it was going up, and created a community expectation of a significant commitment by developers, and then the project was abandoned. That risk and uncertainty feeds into the cost of providing housing in this state. It is to the detriment of housing affordability. We need far better planning coordination. In six years, I have seen no coordination of planning and transport. Issues to do with greenfields developments are even starker. Greenfields developments have become harder and harder as the land to be developed has become harder to develop. A lot of the easy land has gone and we are developing the harder land. Again, we need better coordination between the transport and planning departments and government trading entities. This government has not and will not commit to doing this. So far, the government has taken a lazy approach to planning. The government has told councils to reach certain targets and then get back to it. The government has to work with councils to deliver community amenity. There are pockets of land throughout the metropolitan area that are ready for regeneration. We need to be there working and doing that. It may cost a bit

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of money upfront sometimes, but we cannot focus only on Elizabeth Quay and Perth City Link; we have to look at the regeneration of our suburbs where the majority of people live.

I have not seen any government commitment or strategy that will achieve what I have set out. To be honest, I cannot see any future minister who is ready or able to take on that task. It requires dedication to work with others around the cabinet table to deliver systematic and orderly planning throughout our suburbs. That is just not happening. Because we are not doing it right, there is greater community angst and resentment to infill. All those things work together—setting council targets, multi-unit dwelling changes and the joint development assessment panels. I know this has created some angst for members on the other side of the chamber and that there are particular issues, whether it is in Mt Hawthorn or the southern suburbs that are creating a lot of angst for the government members who have to deal with them. I think the government needs to step up and say that it has got its mechanisms wrong and that it has to do better.

Frankly, the issue of housing affordability will not go away. The definition of “housing affordability” is quite interesting. Yesterday, I think the Premier said that he is hitting affordable housing targets. What is the definition of affordable housing? For example, I do not think a \$400 000 one-by-one unit in the Springs development is affordable housing. That is my gut feeling. Of course, the focus is now on affordable living that includes things such as transport costs. I think we need to be more realistic about the definition of affordable housing to ensure that there are real options throughout the community. I am working to develop mechanisms that I believe can take us to the next step. A very, very good point a community member put to me is that many of our current levers push people to disaggregate their landholdings—to subdivide. Proper precinct planning to create community hubs needs mechanisms to aggregate land, which, no doubt, is tricky. If land is completely government owned—even though getting land off some departments is very hard; I know the Department of Health is a classic—it poses some challenges. If land is owned by the council, it poses more challenges. Of course, if land has a lot of private ownership, there are significant challenges and hurdles. We need a mechanism that is a balance of the carrot and the stick to get that land aggregated to do proper precinct planning. That is when we create what everyone is talking about today, which is modern community living. That is what we need. Let us face it: subdivision is very popular with a lot of landowners, but from a longer term perspective, there needs to be a balance to allow, in some cases, in particular identified precincts, a mechanism to better aggregate land under which landowners get a benefit and we also get better outcomes for the community.

They are all the significant challenges in the planning portfolio. Of course, the issue of greenfields development continues to pose interesting questions about how far and how quickly we continue the urban sprawl. The only comment I would like to make in this respect is that it is quite interesting that the average block sizes being delivered in the outer suburbs are far smaller than many of the block sizes being delivered in the inner suburbs. It appears that a lot of the infill and density responsibility is being put on the new developments. I also believe that the issue of better infrastructure coordination is very important, particularly for the medium-sized developers. The big developers cannot necessarily look after themselves, but they are in pretty good positions because they have large landholdings. The medium-sized developers do not necessarily have as strong balance sheets as some of the bigger ones, and they are developing some of the smaller, high-risk areas, facing enormous impediments in getting infrastructure delivery right. That is something in which the government must be of greater assistance to get that coordination and delivery.

As I said, there are enormous challenges on the planning front. I will not debate objectives; I will debate mechanisms and how we can actually reach where we want to go. This lazy attitude will not reach the targets. We need to be far more proactive working with the community and councils.

For the last couple of minutes I want to talk about the financial management of the state, as the shadow finance spokesperson. In December we saw the delivery of the midyear review which, for the first time in 15 years, saw a deficit. We all saw this train wreck coming; we alerted the government year after year. As I have said a number of times, this government has not used the benefits of the boom to deliver its infrastructure. At good times, it has borrowed against future generations to deliver some of this infrastructure. As the Leader of the Opposition said today, as our economy slows and the revenue base tightens up with royalty reductions, this will pose enormous problems. The idea that this government has delivered all the infrastructure for the next 50 years and that we do not need to worry about it is completely wrong. We need more schools and hospitals, and we definitely need more and better public transport and new roads and new developments around the state.

MR B.J. GRYLLS (Pilbara) [6.14 pm]: I rise to respond to the Premier’s Statement on behalf of the electorate of Pilbara, and I will begin by giving a bit of a snapshot of what is actually happening in the community, because it is very different from the daily portrayal in *The West Australian* and on the nightly news—the prevailing sense

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of bust, that the music is over, everyone is pulling out and businesses are falling over. In my opinion, that could not be further from the truth.

Landing at Karratha airport we see that it is undergoing a \$40 million redevelopment. It will be built to international standards, and the place is a complete construction zone. It is run by the City of Karratha, which is doing a great job, and it will be an exciting project when it is completed in the next couple of months. Driving out of the airport, there is building activity in the Gap Ridge Industrial Estate. The estate did not exist five years ago, and now it is a bigger industrial estate than Canning Vale, and businesses are progressing well. There is a new major truck stop facility now selling fuel, hopefully providing some competition in the market and some downward pressure on fuel prices. New businesses are opening up in the Gap Ridge Industrial Estate. For those who have not been to Karratha for a while, there used to be a gap between the town and the airport, and now there is development linking the town to the airport all the way. New housing subdivisions in Madigan Estate and Jingarri are almost full, with brand-new houses and new families living in the town.

The main street has been completely transformed. It is now a proper, modern, master-planned main street for the city of the north that we have aimed to create in Karratha, and it is looking fantastic. The landscape is covered in bright red blooms at the moment, and who would have thought that Karratha could look attractive after all these years when it probably did not. The government—Minister Redmond and the cabinet—supported the Quarter project, which will be a four-storey commercial and office precinct with undercover car park and 50 more units of workers' accommodation and government accommodation that we can use to help regulate the rental market. It was a very positive decision of the cabinet. The cranes have filled the main street of Karratha; the action is coming out of the ground and creating a real buzz. The Pelago towers have been the subject of many comments in this Parliament. Listening to these comments, one would believe that the towers were empty. The stoush between the WA Country Health Service and the Department of Housing seems to have been resolved. The health workers are moving into the apartments that were obtained before this debate occurred. Excitingly, the ground floor of the Pelago is almost fully occupied. Since Christmas, a new cafe has opened, and a new 200-seat restaurant is weeks away from opening; all the fit-out has been done. A new yoghurt shop, which has become the quasi-schoolkids cafe of the town, has opened, and a new gourmet deli will open in a couple of months. It is an exciting, vibrant hub of the community, and I still maintain it is the best project we have done in the Pilbara Cities program, leveraging private sector investment into helping a complete renewal of the Karratha community. The media and the opposition portrayal of that project was very unfair and sad. The project has been simply transformational for the community.

Just around the corner from that there is a \$208 million hospital that the Minister for Health is building. Bulk earthworks are substantially completed. We have made sure we have the flood levels right for the one-in-100-year flood, and that will be a major addition to adequate health care for a region that for so long did not have it. The real indication that the portrayal of the bust is not quite right is that the preliminary figures on the school muster in Karratha for 2015 indicate that there will be between 300 and 400 new students in the Karratha schools this year, compared with last year. Last year the number was 600 new students, so we are getting a substantial boost in student numbers in the schools, which is extremely positive—and might indicate that, whereas the media portrayal is of the town hollowing out and emptying, when 300 to 400 new kids turn up at school on day one, I do not think that equates with a bust. It is a really exciting time in Karratha. The government should be congratulated on the efforts it has taken to turn that community around. It will be a lasting legacy of the Liberal–National government in Western Australia since 2008.

Moving up to Port Hedland, the town is completing the biggest and best skate park in Western Australia right in the central business district. It will attract international events to the skate park, and it will be open to the community very soon. There is a new Dome cafe opening up on the waterfront of Port Hedland. Again, it is hard to get that written about in the media, when it is very interested in bust stories. While the customers at the cafe enjoy their coffee, they will also enjoy spectacular views of the huge iron ore carriers coming into the Port Hedland port. Just like the Dome cafe in Geraldton has been transformational for that community, as the member for Geraldton would attest in that beautiful waterfront development, this Dome cafe in Port Hedland will do the same. The Elements subdivision in South Hedland is filling up, and the Osprey subdivision is filling up with houses. The Osprey service workers' village that was the subject of ridicule in this Parliament is now, I think, 75 per cent full, putting downward pressure on rents in the community, and Hedland, with its new road network and the like, continues to grow and expand.

In Newman, the Kurra subdivision is a whole new subdivision of brand-new houses. People can rent a brand-new four-by-two for \$800 a week, which is much more normalised pricing. There is a new Muzz Buzz cafe in Newman, which provides a bit more liveability and amenity in that community. A new roadhouse has opened in

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the last few months, and phase 2 of the town centre redevelopment undertaken by LandCorp is getting underway. These are normalising towns, not dying towns. If I can use this analogy: if the next-door neighbour is renovating his house, the street is full of tradies and we cannot get a car park, skip bins are being delivered, delivery trucks are coming in, the local deli is serving more choc milks and bacon and egg sandwiches in the morning, and we are looking forward to the end of that construction phase because it has made a bit of a mess of the street. But when that renovation is finished, all those tradies go off to the next job. That is actually what has happened in the Pilbara; the construction phase is complete and many of the tradies have gone off to the next job. That is not a bust; that is normal and makes sense. If that is a bust, there is a bust in our streets every time the redevelopment of someone's house finishes. It should not be portrayed as such.

Yes, the activity in the towns has slowed down. Yes, it is difficult for businesses. A local trucking contractor who used to have two trucks running his business built up to 10 trucks over the course of the economic expansion; now the work is paring back. The challenge is to manage their businesses, but that is business. Business ebbs and flows, grows and retracts, and people have to take the opportunity when it comes to grow, and then they recalibrate and deal with the challenges that exist. The smart businesses of the Pilbara knew that that was exactly what they were dealing with. That is not to say that it is not hard or putting pressure on people, and it is not to say that the employment market is softer and the like, but remember what we have come from. We have come from \$3 000 a week rents, we have come from graduates earning \$150 000 a year and we have come from not being able to get a coffee because no business could afford to sell a coffee. We have come from a community where people were paying \$500 a week to rent a sea container because it meant that they did not get rained on. That was not normal, it was unsustainable, and we are now coming back to a more normal environment. I hope that we can have a sensible portrayal of what is actually happening in the Pilbara. As I often say, where else would we rather be? If we think the Pilbara is in a bust, where would we like to go that is more exciting and more vibrant and has more of some of the most exciting industries in the world and growing local communities? As I said, 300 to 400 new schoolkids turned up on day one in 2015.

It is important that we do not perpetuate the boom–bust cycle with our media coverage, because it has an effect. We are still trying to get new projects off the ground and they are valued by eastern states–centred banks. If the eastern states–centred banks were reading the local newspaper, they would think that everything was collapsing, and then it is harder to raise the money to continue to develop the Pilbara like we know we need to.

I think these adjustments in the resource sector show some flaws in the policy structure that governments, both federal and state, have with regards to the mining sector, and I want to take a little of my time to talk about that tonight. The first story I want to share is from a developer who is developing in Newman. I will quote a part of the letter he wrote to me. He wrote —

In the course of our North West operations we have attracted and invested more than \$200m of capital into the four towns in which we operate (Hedland, Newman, Karratha and Onslow). In addition, I have personally taken three of the four major banks senior property personnel on a number of tours through the region promoting the unique circumstances that exist in the Pilbara and the great unrealised potential that the region possesses.

He then writes about the developments that they have done, and I will not talk about that. Then he writes about today —

Today the situation is materially different. There are a vast number of vacant properties in Newman across all price ranges and all types of housing (apartments and houses, both new and old). I do not believe there to be any sort of demonstrable shortage.

That is, of housing in the Newman community —

The presence of TWA/Construction camps in an area with current vacancies seems to be highly damaging to a region that has been built up to where it stands today. As you have stated the State Government has been working to develop Pilbara towns into thriving population centres and this is simply a backward step.

That being the presence of the transient worker accommodation and construction camps. He continues —

As a developer, with strong connections to the area, we strongly argue that such a process should be discouraged and that integration between the workers and the townships be fostered through appropriate residential living to create the modern cities of the North that you yourself espouse.

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As I write this the current housing vacancies at Port Hedland, Karratha and Newman are 399, 255 and 201 respectively. As you would be very aware this is significantly greater than what has existed in the past. In Newman, there is capacity for hundreds of permanent dwellings with thousands of beds readily available to be developed.

That is a letter to me from one of the developers operating in the town who is writing about the fact that it is difficult to justify the need for transient worker accommodation or camp accommodation in a town with hundreds of vacant residential properties, all renting below \$1 000 a week.

I will now share another letter from a local person living in Karratha. It reads —

To the Honourable Mr Grylls,

Firstly I would like to congratulate you on the Royalties for regions project which has done wonders for the Pilbara especially here in Karratha.

The town has changed so much in the 6 years we have lived here.

The reason for this email is to bring to your attention the lack of employment for local people like myself. In the last 7 months I have had about 8 weeks work and struggling to gain fulltime employment unless I move to Perth, then can do fly in fly out back to the Pilbara.

I have so many skills and experience but cant even get to the interview stage.

Some of the tickets I have include Riggers, Crane, Certificate 2 in Logistics, which was from a Pathways Indigenous traineeship with Woodside and several more skills and qualifications.

I am very hard working which my former employers have given me outstanding references but still cant gain employment. I have applied for hundreds of jobs and have been told by some they are only employing from Perth.

I know that yourself and the Government are trying to attract families to the Pilbara but it looks like my family will have to leave Karratha and move back to Perth; which was not the way we planned it as we wanted to live here permanently.

My wife is a full time school teacher at ... primary school and my children are settled here and will be very disappointed to leave.

I hope you give this email some thought and maybe put pressure on employers to look local before elsewhere.

This comes from a local Indigenous person in Karratha. He has the required skills for the industry, he has a family there and his wife works in the local school. He has written to me to say that for him to get employment he will need to move back to Perth with his family so that he can fly back to Karratha, but he already lives in Karratha. Even worse, he lives in Karratha with his wife—I understand from my discussions with him that they are in Government Regional Officers' Housing, so his wife attracts a government house for him to live in. So he is a worker with the skills who does not need to find another house. If he is offered a fly in, fly out job, it will cost somewhere between \$75 000 and \$100 000 to fly and accommodate him into that job, when he already lives in Karratha with his family. This is the problem with our current policy settings. For some reason, the major resource companies still think that fly in, fly out is the best outcome for them to attract their workforce, yet a person who has worked in their workforce before who is now looking for a job is being told move to Perth to get a job flying back to Karratha where he currently lives, adding probably between \$75 000 and \$100 000 to the cost of employing that individual. If the companies want to take a look at their cost structures of doing business in the Pilbara, they should take a look at the enormous cost of FIFO work when there is an existing workforce to draw from. That is why the argument about the donga camps, the transient worker accommodation, is such an important argument and one that needs to be had and won. The companies moving to a local workforce who rent their own houses or find their own accommodation will save millions and millions of dollars for the companies. At a time of lower commodity prices we would think that is what they would be moving to do, but as this individual has told me, the only employment he can find is FIFO, leading to his family having to leave Karratha to come back to Perth. As I said, the current policy settings are flawed. Miners continue to pursue FIFO strategies although housing and the employment market has stabilised.

I am also offended when mining companies tell me that they do not think they can attract the skills to residential positions in the Pilbara. I find that offensive because 24 000 people live in Karratha and nearly 20 000 people live in Port Hedland. They are suggesting that those numbers have exhausted the full complement of people

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prepared to live in the Pilbara and not one more person would be prepared to go, so they have to use fly in, fly out workers from now on. That is simply wrong. What is happening is that workers are being pushed into FIFO roles when they do not want it and maybe, just maybe, companies could offer jobs that are only residential rather than offering this so-called choice. The choice always seems to end up, as it did for the person I quoted: move to Perth; we don't have a local job.

[Member's time extended.]

Mr B.J. GRYLLS: The median rents in Karratha, South Hedland and Newman are now all below \$900 a week. The median rentals have all dropped below \$900 a week. The housing market has normalised. The government has invested millions and millions of dollars improving the liveability and amenity of the towns. New small businesses are improving that, and the school muster is improving. There is a brand-new senior high school in Karratha and the like.

Major companies continue to seek extensions to their leases on what were construction camps in their original form but now they seek to convert these construction camps into operational camps to house the workforce. My earlier example would see that person, who currently lives in Karratha with his family, forced to move to Perth. He would live in the construction camp on the outskirts of town while his family remained in Perth. Members can see the conundrum and why we talk about this regularly. My position is that the camps should be shut. When leases come up for renewal, the camps should be shut down. Woodside's Gap Ridge camp is coming up for renewal now. Gap Ridge was constructed to facilitate the construction of the Pluto project, which is now constructed and producing. That lease is coming to an end. I believe that that lease should be ended and the construction camp should be dismantled. BHP Billiton's Kurra camp in Newman has come to the end of its lease. Also, as I talked about, there are hundreds of houses to rent in Newman. The average rent is below \$900 a week. There have been major investments into renewal in the Newman community. How can we continue to allow construction camps to be converted into operational camps when the housing market has normalised and there is a thriving community in Newman looking for growth and opportunity? BHP in Newman even suggested it plans to spend \$40 million to upgrade its construction camp. I suggest that it should spend \$40 million on building proper accommodation for its workforce in the community.

I am not actually opposed to the FIFO work model. I would like workers to live residentially but I know that FIFO certainly has a place in remote mine sites—absolutely. I struggle with it more in Karratha and Port Hedland but I know there will be a time to phase it out. Surely those workers, instead of living behind razor wire in small square dongas, could be housed in a normal community, living in and amongst the community. That would see those people using local facilities and see them shopping at the local supermarket rather than everything being provided for them in camps.

The Nationals are on the record as not supporting Chevron's decision. Rather than build an operational facility in Onslow, which would help rebuild the Onslow community, it is housing all its operational workers in its construction camp in the industrial area. Imagine if a company in Kwinana applied to house its full workforce in the Karratha industrial strip within the buffer zone? We would not let them do it in Kwinana but we are letting Chevron do it in the Ashburton North Strategic Industrial Area in Onslow. Its workforce will be within the industrial buffer zone. I do not know what happens when a noxious industry wants to start up in the ANSIA industrial space in Onslow because there will be people living there almost permanently. That is the policy conundrum that we have.

I put on the record again that I urge the government not to renew the Gap Ridge lease. Let the Woodside workers live in the community. With the Kurra camp in Newman, I urge the government not to renew the lease. Let the BHP workers live in the community and join the 70 000 or 80 000-odd people who live in Karratha, Newman and Port Hedland and send their kids to school there. That will help lift the school muster in Karratha by 300 to 400. Those people will be down the street supporting the new cafe or buying a frozen yoghurt at the new shop.

Let me turn to royalties. The Premier was right when he said that the state has a direct interest in the pricing activities of iron ore. Revenue to the state has dipped by \$1.7 billion this financial year off the back of the policy of miners pushing more supply into a softening steel market in Asia. The opposition has crowed about the deficit as though it is a good thing and is a win for the opposition. It is not a good thing. It is not a good thing for such a quick turnaround in the industry to drive down the state's revenue by \$1.7 billion. If members take a wheatbelt or a great southern example, there was a lot of concern in this chamber when Coles wanted to sell \$1 dollar-a-litre milk. We knew that selling \$1 dollar-a-litre milk was not such a good idea. There are ramifications for the industry. There are many public reasons why mining companies say it is happening. One would think that in most sensible business decisions, to try to drive more supply into a softening market and therefore reduce the

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price would raise eyebrows, as they did with the Premier, and he was right to question it, in my opinion. If we owned a share in a coffee shop and the other owners started selling coffee for \$1 a cup, slashing the profitability of the business that we hold a share in, we would be calling a meeting with the other owners to ask, "Why are you doing this?" Western Australians own a share in the iron ore industry. The iron ore in the ground belongs to the people of Western Australia. We have state agreements that define how it can be mined and royalty rates that define what the state collects from that mining. That occurs under state agreements. We own a share of the industry through our state agreements. We receive a percentage of the mine head value for the right to mine and export the resource. This percentage has dropped, obviously, with the downward pressure of prices. Just as the state is calling for action on the GST from the commonwealth government—because of the way the state's revenue is washing away and the way the GST formula is working—I believe we should be making a similar call with regard to state revenue flows from the resource sector, particularly iron ore. We should be calling for the same reviews and action on the way the state's take of royalty is calculated off the back of what seems to be a deliberate strategy to reduce the price of iron ore for whatever reason the private companies choose to.

In my opinion, in light of what is happening we should be looking again at those state agreements. Maybe we should be moving to a fixed rate of revenue from our sales of iron ore so that companies' strategies about prices do not affect the state's revenue take. As I said, the actions of the companies have reduced the state's revenue by \$1.7 billion this year. I would have thought it would be a sensible policy setting for the state to have some certainty over what we will receive. If at the start of the year we had a known fixed royalty rate off the volumes that would be sold, that would provide the state budget with more certainty and we would not be in this situation now of looking at producing a deficit. We are looking at a deficit because the dramatic drop in iron ore prices has washed \$1.7 billion out of next year's revenue. I believe that we should have a policy response to that because that is what we as policymakers do—we respond with policy to the actions that affect the good government of this state. The state could take out these fluctuations in the mining sector by reopening and renegotiating the state agreements.

Given the debates companies have had about profitability, sovereign risk and the like, it is quite interesting that companies have seen the price of iron ore halve. Some companies have just announced annual profits of multiple billions of dollars. It would seem quite strange that a debate about the way we set royalties could not be had at this stage when companies are still saying publicly that they are very profitable even though the price of the product they are selling has halved. That would seem to me an ideal time to sit down with them and say, "You might still be profitable but this is causing enormous grief to the state." Maybe we should look at our state agreements from the 1960s and 1970s to see whether mining companies have fulfilled all their obligations as originally put in the state agreement acts and look at the way royalties are calculated. It seems strange to me, given that this has happened in the iron ore sector, that the royalty review has seemed to focus mainly on gold, which I believe would make no discernible difference to the state's bottom line, but iron ore royalties make a substantial difference to the state's bottom line. Part of the royalty review actually asked for the reviewers to look at the relevance in 2015 of 10 per cent mine head value being the value at which we calculate royalties. I thought that was the most important part of the review into royalties and I will be very interested to see the results when that review comes out and what it will say.

Mr M.P. Murray: I can hear the phones ringing now!

Mr B.J. GRYLLS: Ha, ha!

While we look at these state agreements, we could also look at how the miners are using them to build more fly in, fly out camps to house their workforces. The state agreements for miners essentially define all land uses. The local governments are taken out of any planning decision. I have anecdotes of companies in the Pilbara using state agreement land to build donga camps now in 2015, even when the average rent is below \$900 a week and the amenity in all these communities has been lifted. State agreements are being used to put more FIFO camps on this land under the benefits that are delivered to the companies through having these state agreements. If we look at the way royalties are affecting the state and at the way state agreement land is being used to put camps on, it seems to me an ideal time to look at our state agreements and go back to the 1960s and the 1970s and look at what Sir Charles Court set out to achieve when they were put in place. It might be time in 2015 to put them back on the table and have a serious discussion with the miners about how the state's royalty flows are being affected by their decisions in taking out some of the vast fluctuations in royalty receipts to the state, about looking at the way that they wish to house their workforce, and about whether we are going to ingrain FIFO as the way we do business in the Pilbara. We do not do FIFO in any other part of the state, but the Pilbara seems to be all FIFO. As the local member for that community obviously we would like to see that phased out over time. We know that FIFO mines will be important in the hinterland where there is no community. However, in

Extract from Hansard

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a community of 25 000 people with the liveability and amenity that we know we have in Karratha now, it seems strange that we have major camps that are looking to be extended rather than phased out. The way to do that, I think, would be to review the state agreements and how they operate.

These companies have made an enormous contribution to Western Australia. I do not seek to stand and simply talk about the negative; there are many positives. But as the member for Pilbara, I would like to see our communities benefit from what has been an enormous change in focus on the Western Australian economy. We would like the communities of the Pilbara to look as though they have participated in the biggest economic expansion of the state's history. We love the fact that the revenue that flowed from the Pilbara has helped to expand and build Perth as a modern, vibrant capital. The people of Perth came out and enjoyed *The Giants* on the weekend, and in amongst all of the development of Elizabeth Quay, the sinking of the railway and the new sports stadium, we have a modern, vibrant capital city and a modern, vibrant regional community. The Pilbara seeks only to share in that growth and that vibrancy, and we do not do that if we house all of our workers in donga camps behind barbed wire fences. I would urge the companies to heed the call to start to phase them out.

Ms S.F. McGurk: Go and do something about it.

Mr B.J. GRYLLS: We are doing something about it. We have made the decision to renew the community, which never happened while Labor held the seat, we all note.

Now is the opportunity. We have got that right; we have got rents right; we have got new schools; we have got new hospitals; we have got new businesses; we have got the liveability right; and now is the time to make this call that FIFO should begin to be phased out over the coming years.

Debate adjourned, on motion by **Dr K.D. Hames (Minister for Health)**.