

Mr Mark McGowan; Deputy Speaker; Mr Ian Blayney; Mr Peter Rundle; Mr Vincent Catania; Mr Paul Papalia;
Mr Terry Redman; Mr Bill Marmion; Mr John McGrath; Mr Tony Krsticevic; Ms Libby Mettam; Mr David
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PREMIER'S STATEMENT

Presentation

MR M. McGOWAN (Rockingham — Premier) [4.04 pm]: Before I begin, I acknowledge that we are assembled here today on the ancestral lands of the Whadjuk Noongar people and recognise their elders, past and present.

I rise today to inform the house of this Labor government's agenda for 2019. As our economic and financial recovery strengthens, we will keep our state on the right track, while plotting a course for the future. We want Western Australia to be a state that is fair, prosperous and brimming with opportunity, where parents know that their children will grow up with opportunities beyond what they had, and where the dividends of our prosperity are shared and felt throughout the community.

Government is more than the delivery of election commitments and solving problems of the day. We have a role to provide direction and leadership to the state for the long-term future. Government is a unique institution in society, which has both the capacity and the drive to make our state a better place to live for everyone, no matter where they start in life. The great objective—the betterment of our society—requires more than our intentions and words. It requires our actions, efforts, and dedication. As ever, we remain committed to the provision of world-class jobs, health care and education for all Western Australians. In the coming weeks and months we will set out our priorities and our targets for the Western Australian government in those areas and others—some are short term, but others are long term—detailing the policy results we want to achieve in the areas that we consider priorities, and what it means in concrete terms when we say we want to see in WA a stronger economy, regional prosperity, a healthy and sustainable environment, Aboriginal wellbeing, a safer community and a brighter future for our children. These are my priorities as Premier and our priorities as a government.

The goals we set will be ambitious and will fall between the traditional responsibilities of portfolios and departments. They will require ministers and agencies to collaborate to achieve them. It is telling that the areas where we want to do more or the problems that seem unsolvable are rarely the domain of one department. As I have said before, this is not an issue of resources. It is an issue of culture, and it will take a change in how government works to solve the problems the public expects it to. By setting our targets and our priorities, we create the drive and purpose for collaboration to occur, and put us on a path to sharing the prosperity of Western Australia.

Across 2019 we expect the Western Australian economy to continue to strengthen. Forecasts for employment growth have improved and the unemployment rate is expected to fall. Recent surveys have shown increasing optimism in the economy. Business confidence is at a six-year high, with half of all businesses expecting the economy will strengthen over the next 12 months. In the next three months, one-third expect to take on new staff. The last financial year saw growth in the manufacturing, construction, professional and scientific, and arts sectors in the economy—all industries that contracted in the year prior. As we move on from the fallout of the mining boom into a more stable Western Australian economy, it is important we seize every opportunity now to diversify the state's economy. We cannot allow cyclical prosperity in one sector to distract us from the need for a broad base for our state's economy. We can and must do better.

The year 2018 saw the release of strategies in areas this government sees as promising to the diversification of the Western Australian economy—international education, defence industries and hydrogen. It is important to remember that WA has never had strategies in these areas before, which is troubling, considering our potential in those sectors. These are detailed bodies of work, fuelled by the expertise of industry and government. The year 2019 will see the implementation of those strategies. Last month saw the release of one more—the “Future Battery Industry Strategy Western Australia”. Our endowment of lithium and other key minerals is well known and has been a topic of much discussion both in Western Australia and around the country. You do not need to be Elon Musk to see the increasingly important role that battery technology will play in the world economy into the future. As such, the government of Western Australia has a responsibility to ensure that Western Australians reap the benefits from our unique endowment of minerals, not just from the extraction of minerals, our traditional strength, but from downstream opportunities in processing, manufacturing, expertise and research. Western Australia represents to the world the opportunity for a new ethical supply chain for batteries and their components and minerals. With this strategy we stand ready to seize it.

Long-term thinking and planning will be a hallmark of this government. Too often in Western Australia we have seen only as far ahead as the next financial year, the next boom, the next election. To ensure the future prosperity of Western Australia we have to change that culture. To that end, in coming weeks we will introduce into this chamber the enabling legislation for Infrastructure WA. This will provide the legislative framework for the institution that will give Western Australia the best independent expert advice for our future infrastructure needs. Infrastructure WA will give the state an open, transparent plan for our future development. But with scarce dollars

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to spend, it is important to have all the information at our disposal so that when governments and political parties set their priorities, we can judge them against the facts. Steps will also be taken this year to provide security of payments to subcontractors in Western Australia. Beyond responding to the Fiocco report, this year, project bank accounts will be rolled out to government projects, while legislative reforms will be introduced in 2019 to empower the Small Business Commissioner to help settle disputes and enforce contracts.

We finished last year with the welcome news that because of this government's tough decisions and rigorous financial management, Western Australia will be in surplus by 2019–20, one year ahead of schedule. It will be the first time in six years that Western Australia will be in surplus. We have turned around the debt and deficit trajectory we inherited and are now poised to deliver a substantial surplus. This surplus is testament to the hard work of this government. Even without the historic GST deal we secured in 2018, on current projections we would still achieve surplus in that time frame. However, the good news and good results do not mean that prudent financial management is over in Western Australia. Hard decisions will need to be taken at times. We cannot do everything that we would like to do at once. We know that if we had continued to spend at the same average rate as the previous Liberal–National government, at 6.4 per cent, net debt would be nearly \$60 billion by 2022. Western Australia cannot afford that. It will take resolve to hold the course and achieve our improved projected position. Ultimately, it is necessary to run surpluses to reduce debt responsibly and sensibly. Given the natural volatility of our revenues and our external economic exposure, it is prudent for governments in Western Australia to budget for strong surpluses. This course of action is strongly supported by the ratings agencies, with Moody's lifting our outlook from stable to positive as recently as January, citing this government's strong fiscal resolve. That is a credit to the Treasurer and the entire cabinet. The midyear review saw net debt for 2018–19 reduced by nearly \$2 billion. Net debt is now on track to peak at \$37.9 billion in 2019–20. That is over \$3 billion lower than was estimated. This is despite the massive writedowns in revenue in 2017, without selling Western Power and without privatising the Water Corporation, and it has taken this WA Labor government to get it done.

Over the last two years this chamber has dealt with a heavy legislative agenda—91 bills have already been introduced into this chamber, and 85 have been passed—and 2019 will be no different, with additional weeks allocated to handle the load. We have a bold, progressive and ambitious agenda for Western Australia and when it comes to reform, there is no time like the present.

State government is the level of government most Australians will interact with. We do the schools and hospitals, buses and trains, and police and planning. It follows naturally that reforms and improvements made here have the biggest impact on the lives of our citizens. We have an obligation, in government and as legislators, to make Western Australia as prosperous, fair and strong as it can be for everyone.

In the health portfolio we will continue to put patients first all across Western Australia. Whether in our hospitals or our urgent care clinics, in preventive health or our mental health system, we want to make commonsense changes for a healthier Western Australia, no matter where people live in WA. Improvements are occurring all over our health system with planning and design occurring in 2019 for Osborne Park Hospital, Royal Perth Hospital and the Peel Health Campus reconfiguration. Construction works are happening at the Fiona Stanley family birthing centre and medihotel, and the completion and opening of works such as the new stroke unit at Joondalup Hospital and new facilities across the regions in places as diverse as Merredin, Northam, Narrogin and Cunderdin, the Onslow Health Service and the Wangkatjungka health clinic in the Kimberley will happen in 2019.

Further upgrades will also be happening to our state's mental health system this year. New residential rehabilitation beds will open throughout the south west; the new mental health observation area at Royal Perth Hospital is due to be completed at the end of 2019; the new mental health emergency centre at Midland Hospital will commence works; and works have commenced on the new step-up, step-down facility in Bunbury and are set to commence in Kalgoorlie.

Also this year, this house will see legislation to improve the health of Western Australians. Legislation will be introduced to bring in the principle of “no jab, no play” in WA. Although it is a big step to take, we must not lose perspective on this issue. The elimination of preventable diseases through immunisation and the establishment of herd immunity has not only saved the lives of untold number of children, it has been one of the great public health successes of the past century. To let that be undone would be a tragedy.

Some members may remember the large legislative exercise undertaken with the Health Services Act in 2016. This year legislation will be introduced to fix unintended errors that arose from that legislation as well as amendments to clarify ambiguous sections. Although these upgrades and reforms will improve Western Australians' health outcomes in the near term, it is also important to consider the kind of health care future generations will receive. On a practical level, the final report of the sustainable health review will be finalised in coming months. The review will guide the state's health system to make sure Western Australians can receive patient-centred, high quality and financially sustainable healthcare well into the future.

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Looking further into the future, this year Parliament will also consider legislation to establish the future health research and innovation fund, which will direct the interest earned on the state's future fund towards medical research in Western Australia. Although the future fund had noble aims, the reality is that the interest the fund earns is less than the interest we pay on our debt. As we pledged at the election, we believe that the revenue generated from the fund would be better used as a stable source of funding for medical research, supporting cutting-edge science and jobs right here in WA, and ultimately a better investment in the health of our community. To support that, this year the government will also establish our first dedicated health innovation hub at Royal Perth Hospital. The innovation hub will provide open workspace for different companies that will foster cross-pollination of ideas through informal catch-ups and co-location, and give our scientists a place to do their best work, right at one of our central hospitals.

We all know how important education is, not just in ensuring our workforce has the skills it needs, but for the kind of lives Western Australians can lead. I know what a decent education means: my mum was a teacher, my wife is a teacher and my three kids are now in school. A quality education means so much for what kind of opportunities people have in life and the kind of goals and aspirations people have for themselves. When we invest in education, society reaps the rewards. We know that a dollar spent on educating someone is more productive than a dollar spent on sending them to prison. My government is making the right decisions when it comes to education and training.

In 2019, the next 100 full-time education assistants will go into schools in the city and the regions so that teachers can get on with teaching and parents can be confident that their children will be getting the care and attention they need in the classroom. The government will also be taking action on violence in schools. Although the causes of violence in our schools are complex, it is not beyond us to put in place a comprehensive plan to help schools address it and to drive down the frequency of incidents. After extensive consultation, new rules and programs will commence this year that will take a stand against violence in schools. Any student who intentionally instigates violence against another student, or films it, will be automatically suspended. Principals will move to expel any student who attacks a staff member. To support this, for the first time in 2019, graduate teachers employed in public schools will be trained in how to de-escalate and manage aggressive behaviour as part of their induction program. New resources and support will be provided to schools, families and communities to help prevent and address the causes of violence. Although all children have the right to an education, every child also has the right to attend school without fear of violence, just as teachers have the right to be safe in their workplace. We all have a role to play in reducing violence—it certainly does not start and finish with the school bell. This new action plan will strike the right balance to ensure that our schools are places for learning and not fighting.

This Labor government also understands the importance of a quality TAFE sector, ensuring that our students graduate with the skills that they need. We also know how essential it is for TAFE to remain affordable, which is why, due to our TAFE-fee freeze, a student in 2019 will be paying the same course fee for their qualification as a student did in 2016. We committed to freezing TAFE fees and that is where they will be staying. Western Australians cannot afford the kind of fee hikes that occurred under the former Liberal-National government.

We are also expecting a financial boost to training, following the application of the Building and Construction Industry Training Fund to the mining industry. We are the first government that has had the courage to take this important step.

In 2019, we will be moving to improve the quality of vocational education and training delivered in high schools. We want students who are not on an ATAR pathway to achieve the best post-school outcomes and emerge from 13 years of schooling with genuine prospects and skills for the workforce. This will be achieved by ensuring only quality registered training organisations are engaged, adding rigour to senior secondary qualifications, and refocusing the list of qualifications offered to students.

Also in 2019, we will legislate for the second phase of our payroll tax reforms. Last year, this Parliament legislated to end the rorting and exploitation of the payroll tax exemption for trainees, with the savings redirected to fund training places. This year, legislation will be introduced to remove the payroll tax exemption for new worker trainees and replace it with an employer incentive scheme, which will assist a broader range of businesses. While consultation is ongoing on the final design of the scheme, we intend that the new incentives will apply to all new worker trainees and apprentices, meaning that assistance will now be available to businesses that are below the payroll tax threshold. The new system will provide better targeted assistance for big and small businesses as well as for not-for-profit organisations, meaning Western Australian workers will get the additional training that they need while protecting the interests of taxpayers from rorting.

In 2019, Parliament will again deal with our comprehensive justice agenda. Western Australians deserve to feel safe in their community, just as they deserve to be treated fairly by the laws of our state. Major reforms have

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already been delivered—terrorism laws; no body, no parole laws; stronger laws to manage dangerous sex offenders; Charlotte’s law; life sentences for meth traffickers; limiting of the possibility of parole for multiple murderers; ending the statute of limitations for child sexual abuse; joining the National Redress Scheme; and expunging historical homosexual convictions. In 2019, those sorts of reforms will continue. The first priorities will be the finalisation of the Criminal Law Amendment (Intimate Images) Bill, which outlines the practice of revenge porn, and the Bail Amendment (Persons Linked to Terrorism) Bill, which is the first stage of our COAG commitment to ensure that there will be a presumption against the granting of bail and parole for persons linked to terrorism.

This year, we will tackle the insidious problem of family and domestic violence. For far too long, too many families have suffered in silence. One of our first priorities this year will be the passage of the Residential Tenancies Legislation Amendment (Family Violence) Bill 2018 to give victims better choices, including whether to stay in a tenancy or to move to safer accommodation, and to remove tenancy-related concerns, which are barriers to leaving a violent relationship.

Later this year, we will introduce a family violence reform bill. This important legislation will expand electronic monitoring of family violence offenders and make it easier and less traumatic for victims to obtain restraining orders. Further strengthening of existing laws will also take place by adopting recommendations of the Law Reform Commission of Western Australia report. Although there is a lot to regret about the past decade of Australian politics, if we can finally bring the problem of domestic violence out into the open, break the cycle of violence and end the needless trauma and deaths that it causes, our time will not have been a waste.

Reforms will also be progressed to enable more Western Australians to receive justice through our legal system. The year 2019 will see the introduction of a criminal law mental impairment bill, which will be designed to repeal and replace the state’s current laws for those deemed unable to plead in our courts. These reforms are long overdue and keenly awaited by stakeholders throughout the criminal justice system.

The Parliament will consider legislation to introduce a legislative representative proceedings regime in Western Australia, more commonly known as “class actions”. This election commitment will allow greater access to justice for Western Australians by establishing a regime based on ones already in operation around the country.

This year, we will also rectify the current Western Australian system of imprisoning fine defaulters. The current regime not only is a massive financial drain on our prison system, but also has contributed to a shameful rate of Aboriginal incarceration in WA and, in the well-known case of Ms Dhu, needless death.

The year 2019 will see also the introduction of anti-consorting laws for Western Australia, to help assist in the fight against organised crime. Following the experience and lessons of other Australian jurisdictions, as well as the failure of previous governments’ anti-bikie laws, we are well placed to make better legislation in terms of both constitutionality and impact on marginalised groups. A broader anti-consorting offence will be introduced, along with additional police powers to enforce.

On the broader topic of justice, this year will see a police amendment medical retirement bill finally come to Parliament. For too long, Western Australian police officers who have had to retire on medical grounds have had to be discharged under the same section 8 loss-of-confidence provisions used for misconduct. This bill will change that and, together with the police redress scheme announced last year, right this longstanding wrong and ensure injured or ill police officers can retire with dignity and respect.

The year 2019 will be significant for one of this government’s signature projects—Metronet. The people of Western Australia are excited about what Metronet will mean for them and how it will change the face of Perth and its surrounds. Over the past two years, a lot of work has been done behind the scenes, from securing billions and billions of dollars in funding from the federal government, to going through the rigorous Infrastructure Australia process, planning for housing and land use, and engaging with business and the community alike so that they know how they can benefit from and contribute to Metronet. The year 2019 will bring visible progress. This year, construction will start on four major Metronet projects—the Thornlie line; the Yanchep extension; the removal of the Denny Avenue level crossing; and the Bayswater station upgrade, marking the beginning of the Morley–Ellenbrook line. These will be transformational projects, whether for those in suburbs that for the first time will be connected by rail, those who spend hours each year lined up on Railway Avenue and Albany Highway, or for the truck drivers who will no longer suffer the indignity of getting stuck under Bayswater Bridge!

Several members interjected.

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Mr M. McGOWAN: In the first half of this year the government will introduce the first tranche of reforms arising from the review of the Local Government Act. This legislation will deal primarily with improving standards of governance in local governments. Initiatives will include universal training for council members, a code of conduct for members and candidates and new rules for gifts, as well as new standards and policies for CEO recruitment and performance management.

Parliament will soon debate the Road Traffic Amendment (Blood Alcohol Content) Bill, which will remove the outdated practice of the retrospective calculation of blood alcohol levels and bring Western Australia into line with the rest of the nation. It will close a loophole that has allowed some drink-drivers to manipulate the system and escape conviction or higher penalties. This will strengthen Western Australia's road safety laws by making roadside alcohol testing simpler and fairer.

In 2019 the second legislative tranche of the WA government's racing reform package will be implemented, with the legislation for the disposal of the TAB. As announced last year, we have committed that 35 per cent of the proceeds will go towards an infrastructure fund for the industry, with 30 per cent of the revenue from last year's point-of-consumption tax also going to the industry, ensuring it will be no worse off. Not only is this a package that guarantees the long-term viability of the industry, but also it is the most generous in the country. I look forward to seeing it progressed this year.

Several members interjected.

Mr M. McGOWAN: This year will see considerable work undertaken behind the scenes concerning Western Australia's energy future. Between the enthusiastic uptake of rooftop solar, the rapidly declining price of battery storage and other structural challenges facing our energy system, big decisions regarding the future of our grid cannot wait any longer. We cannot ignore the opportunities on offer here—cheaper, lower-emission power for WA, with battery storage to overcome the structural problems that come with renewables—but we cannot ignore the challenges either. There will be displacement from technological change, and the government must and will act to ameliorate that. Communities across WA, like Collie, will be supported under any changes made to our system. It is our moral obligation to make sure communities are not left behind as technology changes.

In last year's Premier's Statement I stated that the choice between growing the economy and preserving the environment is a false one; that remains the case in 2019. West Australians are just as proud of our state's natural beauty as our performance in the economic rankings, if not more so. This government is committed to real environmental action, and our record proves it. From protecting the Helena and Aurora Ranges, to banning plastic bags, allowing carbon farming on pastoral leases, and new regulations to protect biodiversity, we are delivering the kind of action the WA public expects. That will continue in 2019.

One of the first bills this house will consider is legislation for a container deposit scheme in Western Australia. There is broad support in Western Australia for such a scheme, which will help produce a higher quality of recyclable material, divert more waste from landfill and encourage more West Australians to recycle.

On the broader topic of waste, over the weekend I and the Minister for Environment launched Western Australia's new waste strategy. In 2019, work will start that will ensure that by 2030 we reduce waste generation per capita by 20 per cent, increase material recovery from waste to 75 per cent, and ensure that no more than 15 per cent of waste from Perth and Peel ends up in landfill. Western Australia has had the highest rate of waste generation in the nation, and the second-lowest rate of recovery. This government wants to change that reputation for environmental and economic benefits. The federal government estimates that over three times the number of jobs are created per 10 000 tonnes of waste when it is recycled rather than sent to landfill. This is an opportunity Western Australia cannot afford to miss.

Also, by the end of the year the government intends to introduce legislation to modernise the Environmental Protection Act. The act is over 30 years old and needs the capacity to respond to future challenges. Moreover, the opportunity exists to streamline processes and reduce regulatory burden and duplication while maintaining the level of protection the community expects.

For the first time in a decade Western Australia will also conduct serious policy work on the issue of climate change. The science of anthropogenic climate change has effectively been settled for two decades, and no serious government can ignore the policy implications. From a Western Australian perspective, any policy on climate change must have two prongs—adaptation and mitigation. That is what this government will prepare in 2019. There must be adaptation in that we must prepare and plan for the inevitable effects of a changing climate on the environment, economy and populace of Western Australia. There must be mitigation in that Western Australia must also play a role in the reduction of Australia's emissions, in order to fulfil our moral obligation to avoid the worst outcomes of global climate change. Ultimately, we recognise that Australia needs national leadership on

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emissions that at present is sorely lacking; however, uncertainty should not paralyse us from right now doing necessary policy work at a state level. When it comes to climate change, time is of the essence.

This year, the West Australian Parliament will consider landmark legislation regarding voluntary assisted dying. Following last year's report by the Joint Select Committee on End of Life Choices, the government committed to a process for drafting a bill for the Parliament to consider in 2019. We agree with the committee that Parliament should be given the chance to consider legislation that allows for voluntary assisted dying for terminally ill Westerns Australians who are suffering. The expert panel is hard at work preparing for community consultation and considering its advice to government. This will be the most challenging thing this Parliament will do, and it will consume much of our time in the second half of 2019. As a member of this chamber for 22 years, this will likely be the most personally difficult piece of legislation each member of each house will grapple with; however, resolving challenging matters is our job as legislators and a duty we cannot abdicate. I know the spectrum of views on this matter is sincerely held, and I ask everyone here to treat their fellow lawmakers with courtesy and respect. Members, it is up to us to be our very best this year when we consider this bill. I want respect, compassion, and honesty to guide this debate. Be brave and be kind.

This year will no doubt be a long and often challenging year for this Parliament, but we should neither forget the incredible power for change that we have in our roles nor why we are here. We are here to serve our constituents and shape a Western Australia that works for them—a Western Australia that is fair, prosperous and brimming with opportunity—where the dividends of our prosperity are shared and felt throughout the community. Without any qualifications or doubts, I can tell this chamber that this WA Labor government has an agenda to make that a reality. We have a resolute plan for a stronger economy; regional prosperity; a liveable environment; Aboriginal wellbeing; a safer community; and a brighter future for our children. The plan is for all West Australians, no matter where they started in life. That is the great objective—the moral responsibility of any community—for all Western Australians.

The betterment of our society, leaving behind something for future generations better than we inherited ourselves, is our duty as parliamentarians, not to mention our responsibility as citizens. To stand up for the whole of the community, for those who cannot fight for themselves, and to fight for the public interest is the commitment of my Labor government, and I hope every member of this chamber. It is a privilege to be providing good government to Western Australia again in our third year. Thank you.

[Applause.]

Consideration

The DEPUTY SPEAKER: The question is —

That the Premier's Statement be noted.

MR I.C. BLAYNEY (Geraldton) [4.40 pm]: It is a pleasure to be the first person to speak after the Premier. Of course, that is due to the importance in the regions, particularly in my home town of Geraldton, of the government's proposed changes to the legislation that sits under the rock lobster industry. The industry stretches over about 1 000 kilometres of the Western Australian coastline, from south of Augusta to north of Kalbarri. The Geraldton Fishermen's Co-operative, which was founded in Geraldton a little over 50 years ago, sells about 60 per cent of the product of the industry. The industry supports many small communities along the coastline, and a great number of small businesses that hang off it.

The government's proposal was basically to give the chief executive officer of the Department of Primary Industries and Regional Development the power to grant a licence exclusively to the state or a state agency and, immediately upon the granting of the new licence, to increase the capacity of the three zones of the managed fishery by 1 700 tonnes and confer upon the state or the state agency the following units of entitlement in each zone of the fishery: 39 006 units in zone A; 48 352 in zone B; and 74 810 units in zone C. This would equate to over 17 per cent of all units in the fishery. The government's proposed amendments were rejected by the opposition. They basically allow the government to grant to itself 17 per cent of what was previously a fully allocated, limited entry fishery. The opposition and the industry support the other components of the government's package, given the importance of jobs in regional areas—increasing the local lobster supply, growing tourism opportunities, and creating a research institute and a lobster festival. The opposition does not believe that the proposed amendments deliver on or achieve the government's other publicly stated goals.

This is quite an amazingly sustainable industry. Fishermen and fishing families are very much the protectors of the industry. According to the Geraldton Fishermen's Cooperative, the very significant benefits that all industry sectors enjoy today, including the state government via the resource rental agreement, as well as the recreational and

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tourism sectors, are entirely due to a conservative approach. The result is a fishery, virtually unique in the world, that is increasing not only in value, but also in strength and sustainability. We need only look at fisheries around the world to see that this fishery is the first in the world to have been given certification by the Marine Stewardship Council. It is amazingly sustainable, particularly after the changes brought in by the Barnett government when it came to power in 2008. Not long ago, exploitation rates in the fishery exceeded 90 per cent in some areas. Prices were poor, costs were high, capital values were plummeting, and fishermen could not even catch their quota over a full season. Recreational fishermen invariably came back empty handed. Now commercial fishermen can catch well all year round, fishing selectively for the market, targeting lucrative windows and high grading, and returning low-grade lobsters to the sea to continue breeding, to average up catch value, making more from less. Meanwhile, recreational fishermen are enjoying extremely high catch rates across the fishery. Tourism and charter boat operators can now guarantee abundant lobster catches year round, which was unheard of not that many years ago.

The industry has invested massively, particularly in its live export chain into China. The Geraldton Fishermen's Cooperative is the only foreign-owned entity that owns its own hub in China and has its own distribution network. The number of jobs hanging off the industry is enormous—in processing, transport, hospitality, construction, research and development, marketing and promotion. Careful stewardship of the resource is imperative if we are to maintain the confidence and avoid a boom–bust cycle. It is worthwhile pointing out that the Premier made mention in his speech of Western Australia's history of boom–bust cycles, mostly in the minerals sector, but they also exist in the agricultural and fishing industries.

The changes made to bring the industry under a quota had enormous environmental spin-offs. Because the commercial fishermen were applying only a fraction of the potential fishing effort, because our catching is so efficient, there is virtually zero bycatch and very little physical impact on the seabed. Bait usage is now at one-eighth of pre-quota levels. That is worth expanding on a little, because now that the industry has to use fish as its bait, the environmental impact of having to catch the fish and use quality product that could be used for human consumption, using one-eighth of previous levels, makes the industry much more efficient, and also means that that valuable product is used where it is more effective—feeding people. There has been a similar reduction in fuel usage. There has been an 87 per cent reduction in the cost of those factors. Few other industries have produced such impressive gains over such a short time.

At most fishermen's meetings that I attend, one of the main items of discussion is the impact of the industry on whales. The way the fishermen set their pots, where they set them and the number they set has a direct influence on the chances of the ropes being caught in the whales' fins. If that happens, sometimes the whale is lost. There has been a massive reduction in the number of whales impacted, and this is just another way that the industry is extremely conscious of the environment and is taking steps to help it.

It is believed that the proposed amendments to the legislation put the very sustainability of the resource at risk. Increasing the quota to 8 000 tonnes per annum would put at risk all the benefits I have just outlined, and may threaten the ongoing Marine Stewardship Council certification of the fishery. Combining recreational catch with the government's planned 1 700-tonne increase in the commercial quota could see the planned level of extraction of the western rock lobster exceed sustainable limits. Currently there are concerns about puerulus settlement rates in some areas and low catch rates in other areas of the fishery. It is our belief that these changes in the fishery are not adequately accounted for in the government's scientific modelling. Dramatically increasing catch levels without addressing these current concerns would not be in line with the best practices of fisheries management.

When the government began to move towards a quota, I remember Hon Norman Moore saying to me, "Get ready; you're going to have a lot of fishermen coming and knocking on your door." He suggested that before that happens, I go and read a quite well known book about the cod fishery off the coast of Canada and how it was overfished for years. What tends to happen is that the catch will go up when the fishery really comes under pressure, and then it will just crash; and, if it crashes badly enough, it will never recover. The maritime economy on the east coast of Canada has been in a state of virtually constant depression for years, and most of the young people are actually working in the oilfields of Alberta.

There are quite significant environmental concerns about the government's proposal. Increasing the quota by 1 700 tonnes and increasing the number of units would have seen approximately 16 000 additional pots in the water, which would in turn increase the risk of adverse interactions with whales, seals and dolphins. History has shown that the western rock lobster is highly sensitive to changes in environmental conditions, particularly increases in water temperature, which in 2011 was blamed for some of the problems of the industry. The oceanographic conditions off the Western Australian coast are becoming more variable. Once again, it is interesting to note what the Premier had to say about the government having to take on board projections of climate change, and accept their truth and accuracy. That means that the industry has to start adapting to that now.

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Therefore, it is essential for a healthy ecosystem for a large residual biomass of sizes of lobsters to be in the sea. When we look at the economic impacts of this proposal on fishermen, which is what I heard about most in my electorate over the summer, it would have diluted the value of fishermen's current licences. For example, not long after we came into government, we had to reduce the catch from 11 000 tonnes to 5 500 tonnes. Effectively, if we had to do that again, fishermen with a current licence would lose 17 per cent off their catch because the new units would rank equally to theirs. There is a direct economic cost, and that is the first thing that the banks picked up on. This would mean that if the government had to put the screws on the industry again for environmental concerns, it would come directly out of the pockets of existing fishermen. Immediately, banks reduce the amount of money in percentage terms that they would lend on a pot and the value that they would put on that pot before they worked out the amount they would lend on it. That was an immediate impact on people who are geared in this industry. It is believed that the Western Australian government has not undertaken proper analysis to determine the social, cultural or economic impacts of this proposal. Such an analysis should be undertaken as part of the proposed consultation process that has been recommended. If this modelling was done, I call on the government to release that modelling.

My next concern about this proposal is that it would lead to a concern about a conflict of interest, with the government being a participant in the industry and at the same time a regulator of the industry. Future government decisions on the western rock lobster fishery could be significantly compromised if the government becomes an active commercial stakeholder in the industry. It would create a conflict of interest due to the fact that government would become the largest commercial stakeholder in the fishery while also being the regulator of the industry. Such a conflict would create sovereign risk in the western rock lobster industry, but also uncertainty across broader industries in the state. I know that the rest of the fishing industry across Australia picked up on this issue straightaway and was quite prepared to chip in money if it was going to be taken to court. Government's role should be solely to create a regulatory and access framework that gives the public confidence that their community-owned resources are being managed in an unbiased manner. This cannot occur when the government owns a major commercial stake in the resources that it is charged to manage.

The next concern revolves around recreational fishing and tourism. There is value in recreational fishing. Obviously, the crays are not sold, but there is all the infrastructure that supports the 55 000 recreational fishermen, which is, once again, a substantial industry along the coast. The current abundance of lobsters available to be enjoyed and consumed by recreational fishers is due to the commercial sector harvesting at conservative and sustainable levels, and targeting animals in deeper waters. An increase in the quota and the introduction of an additional 16 000 pots would threaten the current abundance of lobsters available for recreational fishers. The logical outcome would be increased competition between the commercial and recreational sectors, lower and less certain catch rates, a less attractive experience for recreational fishers, and lower social and cultural returns to the state. The same principles apply when exploring opportunities to grow tourism opportunities linked to the fishery. It is simply not possible to build a strong recreational tourism experience around a fishery that has a low catch per unit of effort. I regularly talk to recreational fishermen in Geraldton—I am not one myself—and they all confirm immediately that it is actually quite easy to catch a few crays these days. Of course, that is very important to the tourism sector. Paying guests pay quite serious money to go out on a boat, catch a few crays and cook them out at sea, and if there is no guarantee of catching anything, that whole process will be questionable because obviously the paying guest will not feel like they have achieved value for money.

Mr D.J. Kelly interjected.

Mr I.C. BLAYNEY: Sorry, minister, I am not taking any interjections.

Mr D.J. Kelly interjected.

The DEPUTY SPEAKER: Minister!

Mr D.J. Kelly: Don't answer any hard questions; just read the script.

Mr I.C. BLAYNEY: The old bully boy!

From an export market perspective, the key is that the value of the resource is scarce, not abundant. We need to carefully grow the capacity of the export market ahead of supply in order to maintain our position as price makers. If supply should get ahead of export market demand, pricing power will shift to the international market, with potentially devastating consequences on the WA rock lobster industry. A reasonable number of people in the export side of the industry have pointed out to me that it is quite possible that if we push more lobsters into the export market, the actual gross income we will get from that greater number of lobsters will be less than we get now for a smaller number. I can see that happening, because scarcity makes it possible to charge more for the lobsters. Most figures I have seen would lead one to believe that Geraldton Fishermen's Co-operative is the largest exporter of rock lobster in the world. It knows first-hand that the fast-moving market for live seafood is extremely sensitive

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to changes in supply and that any increase in supply needs to be done in such a way that it does not create a supply shock and destroy export revenue for the state. A 27 per cent increase in supply is significant for any primary industry, let alone a fast-moving industry such as western rock lobster. Policy detail on how this additional quota would be released on the market is void, which is of serious concern.

The industry and I think all the communities along the coast are in support of the proposal for a lobster festival. In many ways, the issue that really is open—it is a query—is how much extra the domestic market would take. Obviously, that would become quite price sensitive. The industry asked the minister to increase the tagged lobster scheme fourfold 18 months ago. I am told it did not receive an answer.

[Member's time extended.]

Mr I.C. BLAYNEY: I think the Barnett government's Local Lobster program was a good start. There is no doubt that it needs to be reviewed and expanded, but it forms a good base to expand the domestic market. Once again, if the government has done any work on how much it thinks the domestic market would comfortably accommodate at a slightly lower price, I call on it to release that data to the group that will look at this issue so that it can get some indication of its impact. Fishing Families WA did some preliminary work at its own cost and came up with the conclusion that the domestic market was probably somewhere between 280 and 400 tonnes a year. But that was some fairly quick and not very detailed work. If the government has any information to add to that, I think it should release that data as well.

My position—it is the same position as the Geraldton Fishermen's Co-op—is that the Western Australian government should withdraw the amendments to the plan and agree not to take a 17 per cent stake in the industry for sustainability purposes; provide the industry with certainty by leaving the TAC at current levels for the 2019–20 fishing season; establish a taskforce of stakeholders selected for their particular expertise, knowledge and reliance on the fishery; allow a proper consultation process involving industry members and recreational fishers —

Mr D.J. Kelly: Did you write this yourself?

The ACTING SPEAKER: Minister!

Mr I.C. BLAYNEY: Bits and pieces.

The GFC submission was recommended to me by a large number of fishermen who said that they thought it was the best written submission out of all of them—so I went through and read them all. One reason I am fairly extensively quoting from it is that I would like the case to be in *Hansard*. The submission from the Geraldton Fishermen's Co-operative made a very clear, logical and precise business case for why the government's proposal was so bad. That is why I am reading parts of it.

Mr D.J. Kelly: Sorry, but you didn't say you were quoting from the Geraldton Fishermen's Co-op. I understand now.

Mr I.C. BLAYNEY: I am allowed to quote from anything I like.

Mr D.J. Kelly: I understand now.

Mr I.C. BLAYNEY: The last dot points states —

- The Western Australia Government commit to change the Management Plan and the New Aquatic Resources Management Act ... so that Western Rock Lobster units are fixed at the current number and cannot be created or destroyed to give Fishers additional security.

Since this proposal was put, that has been withdrawn. This is of particular importance to fishermen, including Fishing Families WA, because financiers will be asking for it. Until there is a bit more security, that is going to be quite a serious issue for people in this industry.

In summary, the most damning thing that can be said about this government proposal was there was no problem at all in getting all non-government parties in the Legislative Council to oppose it. People asked me, "Should we go and talk to the Greens?" I said, "Of course you should go and talk to the Greens." They did not have much trouble convincing the Greens to support voting down what the government wanted to do. There are not that many issues on which the Greens will come in with the Liberal Democrats, One Nation, the Shooters, Fishers and Farmers Party, and the Liberal Party to say that they will not support this proposal.

It is worth restating that this is arguably the best managed fishery in the world. It was the first to get accreditation from the Marine Stewardship Council. The industry would be quite relieved if the government were prepared to publicly release the figures that were used to determine the industry could go to 8 000 tonnes. The industry doubts this science. As I said, not long after the Liberal–National government came into office in 2008 it had to cut the catch from 11 000 tonnes to 5 500 tonnes. Fishermen lore so often talks about the Big Bank, which is an area north of the Abrolhos Islands just off Kalbarri. Traditionally, they were not allowed to fish there. For some reason Fisheries decided to allow them to fish there. They caught unbelievable numbers of lobsters. I remember them

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saying, “We don’t know what damage we’ve done to this fishery. We can’t believe the number of lobsters.” They are mostly older lobsters up there. Apparently, they gradually move north from the Abrolhos Islands. That is, if you like, their life cycle. We had this huge problem with the puerulus count, once again not long after the Liberal–National government came into office. Fishermen, and certainly some researchers, connected the two issues. If I am asked, that is probably one of the cases in which the decision that was made by Fisheries to allow fishermen to fish at Big Bank was wrong. It should not have happened. Quite a few of the problems they had down the track arose from that.

I now refer to the issue of warmer waters. In 2011, warmer waters caused huge problems in the industry. Going back to what the Premier said about climate change, it is expected that those waters will probably become warmer. There is an issue this year with puerulus counts. Looking at all the problems for this industry, the precautionary principle kicks in. It was a very rash thing to suggest that the industry could go to 8 000 tonnes. It is worth mentioning the impact that this proposal had on the small industries that service fishing. I am aware of two boats that were cancelled as a result. A new fishing boat costs about \$3.5 million. The tradesmen who work on them obviously have nothing to do if they are not cutting and welding a boat. There are all the other ancillary bits that have to be put in there like the motor, the electronics and the special tanks they are held in. That had a huge impact on Dongara. I suspect there was no analysis on what this proposal would have done to the industry. If there is some analysis on that, I would welcome the government releasing it.

Arguments were made that opposed increasing the number of lobsters, particularly going into China. That is where the extra that are not soaked up by the domestic market will end up. That could imbalance that market. At the end of the day we get less total income from that market by increasing the supply into it. I would say that is just utter madness. The industry needs security now. Like everyone else who is connected with the industry, I am greatly relieved that the government’s proposal was withdrawn.

The conflict-of-interest issue was very strong. That was certainly an issue that the industry was really worried about. I am not really comfortable with a government that wants to work within industry and at the same time wants to regulate the whole industry. We would not do it with Woodside Petroleum and we would not do it with BHP or Rio Tinto. I do not think we should be doing it in the fishing industry.

There is no doubt that tourism and recreation benefit greatly from having a lot more lobsters in the sea. It is clear that this was a really bad proposal. I do not understand how a proposal given to the Western Rock Lobster Council for consultation is sworn to secrecy and cannot talk to its own constituency. I do not understand that. I have no idea how that comes about.

I would like to congratulate Fishing Families WA for its hard work and professionalism and the fact that it was prepared to put money into the game to make sure its voice was heard.

The security of this industry is critical. The issue that flows most out of this is that we have to look at providing more security and more property rights than there are currently. The Premier is not here now but I will correct something that he said again today. He used a figure of \$100. Every now and again this \$100 figure comes out. Crayfish that sell for \$100 are a rare thing; they are not found very often. They are large and they are perfect. That is the one that is particularly held in high regard in China. The first day the Premier used the \$100 figure, the price for the grade below that was \$64. Sixty-four dollars would buy 2.2 crays. That would be about \$29 each. If we halve that, that cray would be on the table for about \$14.50. It is not very far off. At a media event up at Hillarys Boat Harbour or wherever it was, the restaurateur said, “I need to be able to put this thing on a plate and sell it for \$29.” It was not that far away from the current situation. I question what the Premier said because, as I said, the figure of \$100 gets thrown in and everyone thinks that is outrageous. Looking at what the next grade down can be bought for, it is not such a huge problem.

This industry really did the hard yards in converting to a quota. It deserved a fairer go than it got and it deserved a bit more respect.

MR P.J. RUNDLE (Roe) [5.08 pm]: I rise to respond to the Premier’s Statement. I inform the house that I will be moving an amendment at the end of my speech.

Firstly, I acknowledge the loss of John Cowcher, who was the president of the Shire of Williams in the electorate of Roe. He was a fantastic shire president, and had been for over 20 years. John was still in office when, sadly, he and his family were in a boating accident at Peaceful Bay over the Christmas holiday period. On behalf of all members here, I would like to express our sympathy to John’s wife, Heidi, and their two sons. Well over 1 000 people attended his funeral. He was certainly held in very high regard.

[Quorum formed.]

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Mr P.J. RUNDLE: I will be reviewing some issues within my electorate of Roe. I will also be expressing my concerns about some more global issues and the performance of this government.

I would first like to talk about the disturbing trend of backflips, which seems to be a hallmark of this government. One of my father-in-law's favourite sayings was, "Measure twice; cut once." I remember him telling me that soon after I was married. I believe that translates to, "Think about it, investigate it, and consult; then carefully take action." The mantra of this government seems to be, "Cut first; consult later." The member for Geraldton explained that very well when he talked about the western rock lobster industry. This government seems to have fallen into the habit of announcing things over the Christmas period, because Parliament is not sitting and it hopes people will not take notice and there will be less scrutiny, so it will just slide through. Unfortunately, many members of our community, both regional and metropolitan, were not satisfied with the education cuts that were made in December 2017. They were also not satisfied with the western rock lobster scenario that has played out over the last couple of months. As I said to my colleague the member for North West Central, the performance of the Minister for Fisheries is starting to contribute to what we call the three per cent, which will mean a turnover of eight members. It is now probably closer to four per cent. If I were a regional backbencher, like my friend the member for Murray-Wellington, I would be very concerned about that. I believe the government's performance over the Christmas period has contributed to a lack of trust from our regional constituents. Our regional backbenchers should think about that and impress it upon their fellow Labor Party members.

The government's policy on the western rock lobster industry is one of the most bizarre things I have ever seen. If I can translate that to my position as a sheep farmer, will that mean that if the price of lamb goes to over \$30 a kilo and all the stock is sent to China, the Minister for Agriculture and Food will decide that she needs to keep 17 per cent of my lamb for local consumption? The Minister for Fisheries also backflipped on drum lines. Last year, when we went to NSW for the National Party conference, we spoke to Niall Blair, the New South Wales Minister for Primary Industries; Regional Water; Trade and Industry about drum lines. He had a great amount of research information about how drum lines work. We tried to express that to the Minister for Fisheries. The member for Vasse articulated that many times. The minister would not have a bar of it. However, late last year, we had another backflip from this government when it changed its mind about drum lines. It is very frustrating.

The government proposed to cut the funding for community resource centres by \$7 million. That messed with the confidence of the staff. Many of our small towns were not sure whether their CRC would stay in the picture. However, I congratulate them for fighting back and for getting another backflip from the Minister for Regional Development. The problem is that the government is now pitting community resource centres against local governments by saying they will have to compete with each other for traineeship funding. If that is the way the government wants to do business, it is not a good scenario and it poses a real question mark for our regional communities.

In my shadow portfolio of education, the government has made a number of backflips. It backflipped on the cuts to Perth Modern School, particularly to the gifted and talented program. It also backflipped on the cuts to Schools of the Air and Moora Residential College. That has created an atmosphere of mistrust and lack of confidence. One thing that I took on board from the Premier's Statement was his comment that a dollar spent on educating someone is more productive than a dollar spent elsewhere. I agree with the Premier on that. It is important that we invest in our children for the future. We certainly have an issue in both the metropolitan area and the regions with truancy and violence in schools, as the Premier mentioned. That issue has needed to be addressed for several years. I fully support the Premier and the Minister for Education in dealing with that. I also support the freeze on TAFE fees. That is very important, because we are entering a period when we will need more people in the mining area and more TAFE graduates.

I now want to say a few positive things about my electorate. I am very pleased about the continuation of iron ore exports through the port of Esperance. That resulted from negotiations between the government and Mineral Resources Ltd, the Southern Ports Authority, and Cleveland-Cliffs, which was mining the iron ore at Koolyanobbing. Cleveland-Cliffs is a \$3 billion company. That company was given a \$55 million free kick by this government. There has been no transparency about that agreement. That is very concerning, because when this government came into office, it promised gold-standard transparency. I congratulate the government for negotiating to keep Esperance port in operation, even though it will be only 50 or 60 per cent of the volume of iron ore. However, I am concerned about the lack of transparency about the deal with this \$3 billion company. This company does not come from Australia. It is an American company that pulled out of mining in that area. I believe it has been given a \$55 million free kick. That lack of transparency is filtering into many areas, including the Huawei contract, which we heard about today, and the negotiation—I suppose you would call it—that the government is undertaking with BHP at the moment. If BHP has not paid royalties—it goes back to 2002—and a figure has been calculated, why is the government negotiating? I would love to know more about it. The lack of transparency is quite disappointing. We need to know

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more about the state agreements and why the government needs to negotiate. It should be charging interest! If the amount is \$300 million, it should be \$300 million plus interest! I cannot see the reason.

I am pleased to see that the mining industry is improving in my electorate. Around the Esperance and Ravensthorpe region, Galaxy Resources is mining lithium. The Premier mentioned the lithium scenario, which is great for the state. We need to cash in on that and make sure that some downstream processing is done in Western Australia to take advantage of not only lithium, but also nickel and graphite. Hopefully, later in the year, First Quantum Minerals will start mining nickel in Ravensthorpe again and graphite mining will start in Munglinup. Those are all important elements of the battery market. A goldmine will potentially open between Hopetoun and Ravensthorpe, which is good news and will, hopefully, improve school numbers in both towns, which I look forward to.

I also look forward to the building of the TAFE in Esperance, to begin in 2020. I certainly urge the government to stay with the timetable that was announced by the member for Warren–Blackwood in his previous role as Minister for Regional Development, along with the member for Scarborough. I would not like to see that get pushed out to future years. It is important that it stay where it is in the budget. I also look forward to the indoor stadium; tenders are going out at the moment.

I am glad that the Minister for Heritage is in the chamber, because I have been disappointed by the lack of engagement by the Heritage Council of Western Australia with the Friends of the Esperance Tanker Jetty group. As the minister knows, it is my favourite subject.

Mr D.A. Templeman: You are very passionate about it!

Mr P.J. RUNDLE: Yes. Unfortunately, the Heritage Council recently washed its hands of it and has handballed it straight across. It has said, “We don’t want to deal with you any more, Friends of the Esperance Tanker Jetty. Even though you have spent close to \$100 000 of your own money and you are passionate about the culture and the heritage of the jetty, we’re only going to deal with the local government. Sorry, we don’t want to talk to you anymore.” I would love the minister to have a word with the Heritage Council, because I do not think that is an appropriate way to deal with passionate people. Their solution—to rebuild the jetty—might not meet the needs of the local government or the Heritage Council, but the Heritage Council needs to talk to all parties. That also goes for the Carnarvon jetty in the electorate of my colleague, the member for North West Central. A letter to the editor appeared today regarding the Carnarvon One Mile Jetty. As the minister knows, last year we both tried, unsuccessfully, to move amendments to the Heritage Act. I know the minister will take it on board, but it is important that the Heritage Council communicates with local people, who are on the ground and have been in those communities for the last 50, 60 or 70 years.

Mr D.A. Templeman: You support their option, do you?

Mr P.J. RUNDLE: What do I think their option —

Mr D.A. Templeman: Do you support the jetty group’s option?

Mr P.J. RUNDLE: Yes, I support the rebuild. I always have been a supporter of the refurbishment of the original tanker jetty, which is over 510 metres long. I believe the group has now come out with a fully costed scenario, which some members of the minister’s party have information about. I think that is a viable option and that the Heritage Council should look at all options. Federal funding may potentially come through, but it may not. I think that will be a big key as well. I will talk more with the minister about that. The member for North West Central is very passionate about the Carnarvon One Mile Jetty.

While I am talking about my electorate, I will add that the Katanning Health Service opened last year and I gather that Narrogin Health Service will open later this year. They are both fantastic royalties for regions projects and will be very valued by their communities. We have some concerns about doctor staffing in the Katanning and Kojonup areas, particularly at Katanning hospital’s emergency department. I asked the Minister for Health a question about it prior to Christmas and will stay in close touch with him.

[Member’s time extended.]

Mr P.J. RUNDLE: I will also stay in touch with the minister about the aged-care facility in Carnarvon. Looking at the whole of regional Western Australia, I would almost put this as being that community’s most important project. Aged care in Carnarvon is incredibly important. The Carnarvon facility has been left out in the cold, as far as I am concerned. Unfortunately, the state government cut funding and the facility has not received federal funding. We are looking for support from the state government to fund the facility. I urge any government members who pass through Carnarvon to take a look at the facility. It is not good enough! I am sure that the member for North West Central will elaborate on that.

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I make special mention of Karinya Residential Care, an aged-care and dementia facility in Narrogin overseen by Julie Christensen. She does a great job and it is a great regional facility serving a 100-kilometre area around Narrogin. It is pretty well full all of the time, and has been brought up to speed with some good investment from royalties for regions. It is well run and is acknowledged as a great facility in our region.

A lowlight of the last few weeks has been the poor communication about and the surprise closure of over 80 per cent of the standpipes in the Lake Grace and Kulin area. It came as a complete shock to farmers in that area.

They pulled up on Friday morning to fill their tanks to put water in their dams for their stock, but there was no water—and no notification either! The Lake Grace local government had to put laminated posters on the standpipes stating that there was no water. I am really disappointed with the lack of consultation, and I will be taking that up with the Minister for Water. Some of those standpipes have been reopened, but the Water Corporation's consultation has been disappointing. There are four, five or six Water Corporation dams in the Lake Grace area that have not been maintained and have been let go to rack and ruin. If members can believe it, the Water Corporation is talking about filling them in—in the middle of a water shortage! Instead of renovating them and improving the catchment, because the Lake Grace area has a problem with water, the Water Corporation is talking about filling them in, which I find quite unbelievable. I will be taking that up. The final issue on that is: why did the Minister for Water cancel the farm water grant scheme? That is all about making farmers improve their water infrastructure to take the pressure off the scheme water supply. What has he done? He has cancelled the farm water grant scheme, which has made people more reliant on scheme water. It is quite an interesting scenario. There are a few other minor issues, though not minor to my constituents. There are continuous calls to fix roads. Instead of maintaining roads, Main Roads is looking at reducing the speed limit. When a person phones the regional office to complain, it says to ring their local member. I am the local member phoning Main Roads to notify it about an issue, and it tells me to ring the local member. That does not provide a solution. Another issue is the restricted access vehicle network policy, which is just not keeping up with larger trucks, farming logistics and a lot of dangerous road trains on low volume roads. It is a dangerous scenario all in all.

There has been a lot of difficulty over the last few weeks with school bus services. The policy is over 20 years old. I believe schools need to be more engaged and there needs to be more money for, and case management and staffing of, school bus services. I worry that there has been a directive to cut school bus services at all costs and funnel that funding into Metronet. I will be looking at that one.

I was glad to hear the Premier mention subcontractors because this has affected many of my local constituents. It has become an art form whereby a head contractor tenders low and then they either do not pay the local person who has supplied goods and services or go into liquidation and do not pay. Either way, the local person misses out.

One other thing I will briefly mention in an agricultural sense is the live sheep trade. I spoke here before Christmas, and I seem to recall that the members for Belmont, Balcatta, Maylands and Thornlie were also very passionate about this issue. I said that I felt it was a military operation and I was concerned about a lot of that vision. I was also concerned that the animal welfare groups had not reported this for over eight months and then after that vision came out, funnily enough, every member of Parliament received a pamphlet on their desk the following morning. My scepticism has been founded over the period with that vision now proving to be problematic. I look forward to the investigation of that in weeks ahead. I also note the disturbing maps that were put out, also by a supposedly charitable animal activist group, that promote trespassing on farms, which I believe is a really serious problem. I just wanted to mention those while I could.

I return to education, because for me, Hedland Senior High School is a real issue. In September, the Nationals WA team visited the Pilbara, and with education being my portfolio, I visited the high school. I met with the principal, Bill Mann. He gave me a tour of the school and, quite frankly, it is quite concerning. There are hazardous open drains throughout the school. The biggest concern was the lack of undercover area. The school has over 800 students and there is enough shade for about 250 to 300 students when they have lunch or recess. There is an open basketball court. As members are well aware, in the northern part of the state, all those courts are generally in an undercover area. The gym is run-down and in need of replacement. There are broken concrete paths and uneven paving. When I asked the Premier a question in Parliament in October last year, he seemed to be unaware of the issue. Now we have seen it on the front page of *The West Australian*. Hopefully, everyone in this chamber is aware. I have a \$10 million business case that the principal put together, and it is important that we take this on board. People can ask what the previous government did. The previous government spent \$22.4 million on this school between 2012 and 2014. Obviously, parts of the school are up to speed with that sort of spending, but what disturbs me is that the Minister for Education and Training has recognised that there is a problem and said that she is focusing on truancy and other welfare concerns. The safety of the students and the staff is at question here.

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Templeman

The other issue that gets me is that funding for metropolitan schools was recently announced, with \$5 million for Ocean Reef Senior High School, \$4.5 million for Melville Senior High School, \$8.4 million to upgrade Southern River College, which my colleague who sits on my left will be very happy with, and of course, Mr Acting Speaker (Mr S.J. Price), \$10 million to Darling Range Sports College in Forrestfield. That is a real concern for me. We get millions of dollars of funding through royalties, through the Pilbara, and we apparently cannot afford to fund that \$10 million for the high school in Port Hedland. I saw the Minister for Education and Training and the member for Pilbara turn up and say to the parents and citizens association that there is no money. That is what they got: “There is no money.” That really is a concern to me. I want to bring it to everyone’s attention, because when I hear the McGowan government recently announcing a \$175 million windfall from the sale of its shareholding in Property Exchange Australia saying, “That is great; we are going to whack that all into Metronet”, I am concerned for those kids and families in Port Hedland. The government continues to say that it is creating jobs and it wants people in the Port Hedland area to work for BHP and Fortescue Metals Group, but it will not provide a decent education and facilities.

Amendment to Question

Mr P.J. RUNDLE: I therefore move to amend the question before the house. I move —

That the following words be added after “noted” —

and condemn the government for not providing a safe environment for both students and staff at Hedland Senior High School, due to the dangerous outstanding maintenance issues and lack of infrastructure works at the school

MR V.A. CATANIA (North West Central) [5.38 pm]: I rise to support the amendment that the member for Roe moved, because this time last year, in 2018, I stood up and said that the swing against the government was going to be three per cent when it announced its regional education cuts. On the eve of Christmas 2017, the government announced its regional cuts and today we heard the Premier in his Premier’s Statement talk about education for the whole state, yet the member for Roe has moved a motion about Hedland Senior High School needing \$10 million. I wonder where the Premier’s priorities are. He talks about regional education. When the Minister for Education and Training and the Premier announced the \$64 million worth of cuts to Schools of the Air, Moora Residential College and so forth, the reason was the tough financial set of circumstances that the government had been left with, yet today, as we stand here on the first day of Parliament on 12 February 2019, we have had the sale of Property Exchange Australia, and \$175 million has gone into Metronet.

Leading up to that, this financial year we will have a \$1 billion windfall, because the iron ore price is going up again—\$1 billion is going back into state coffers—plus we have the GST windfall. How many millions of dollars is that? It is \$5.6 million to start with over a very short period of time, plus we have the sealing of the floor in the GST. The state government has the financial capacity to come up with the \$10 million needed to fix Hedland Senior High School—a school based in the same place that the Big Australian operates and based in the engine room of the Western Australian and national economy. As I said, the state government will be getting a \$1 billion royalty windfall from the iron ore industry, yet buildings are falling down, there are hazardous open drains throughout the school and there is no outside cover. I know I am not meant to refer to the Acting Speaker, but the Acting Speaker (Mr S.J. Price) knows what it is like in the Pilbara. He knows about the heat. Imagine not having undercover areas at a school in a town in the engine room of the Western Australian and national economy. What a disgrace! Twelve months ago I stood in this spot and said, “Three per cent.” Today I stand in the same spot and say, “Four per cent.” That is eight seats. In the by-election last year, an 8.5 per cent margin saw a swing of 9.3 per cent. I am saying four per cent, because I am erring on the conservative side. Four per cent means that the member for Joondalup will be gone, the member for Kingsley will be gone and the member for Murray–Wellington will be gone. What about the member for Pilbara? He is absent from not only Parliament, but also this debate. When it comes to ensuring that the Pilbara gets its fair share, the member for Pilbara is absent from the debate about Hedland Senior High School needing \$10 million.

I will keep going: Pilbara, gone; Kalamunda, gone; Burns Beach, gone; Mount Lawley, gone; Bicton, gone. I can tell the member for Albany that it is on the cards! What is going to happen this time? In February 2020, what will we be fighting for in regional Western Australia? At the moment, the government is saying that all Western Australians will have a fair crack at education, but what about its decision-making? It has done the complete opposite on the ground. When the government receives its financial windfall, it will stand up and say, “We’re doing an amazing job with the economy.” I said just before the house rose last year that any dope can fix the finances if they do not spend in regional Western Australia in particular. Take away royalties for regions, cut regional education and stop spending in schools and towns in the engine room of our economy. Health is another example; I will save that for my contribution tomorrow when we talk about the health cuts that are being made.

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The member for Roe mentioned aged care. The government is not looking after our heritage, including the Esperance Tanker Jetty and the Carnarvon One Mile Jetty—and the list goes on. We have talked about the backflips and every policy decision that the government has made. I am proud that regional Western Australians have been saying, “That is not on”, and they are getting support from people in the metropolitan area. They know that for Western Australia to be successful, it must have a successful regional component. That is why people in the city back people in the regions, yet we have a city-centric government. I do not mind a government backflipping on decisions from time to time, but people should be asking, “How are you coming up with these policies? Why are you coming up with these policies?” The only thing I can think is that the government is just anti-regional Western Australia. The government is being called out and is losing the debate year after year. As I said, I cannot wait to hear the debate we will have before Christmas this year. What will it be about? A bubble will burst and suddenly the government will come up with a policy that attacks regional Western Australia. I think people have made up their minds, particularly in my electorate of North West Central, and also in the electorates of Roe and Central Wheatbelt. Member for Moore, we know what the government is like. People cross the street to tell us what the government is like. It attacks regional education, but there is a list of new schools and infrastructure for schools in the city. I do not begrudge that. I want every school to have the funding necessary to ensure that they provide the best education possible. But it really hurts when the government announces a new school on the same day it announces regional education cuts of the same amount it costs to build a new school in Perth. It is taking away money from the regions when it is needed. It has been two years now. The government cannot keep blaming the previous government, because it is now halfway through its term. The government now has three budgets under its belt; the fourth is coming up. The government has ownership of the state’s finances.

Mr P. Papalia: Accounting is not your strong point, is it?

Mr V.A. CATANIA: How many budgets has the minister done? Is it three and the fourth one is coming up—am I right—since the election?

Mr Z.R.F. Kirkup: Three coming up.

Mr V.A. CATANIA: The third is coming up. Okay; I got that wrong. Perhaps I can join the Labor Party again because it keeps getting it wrong. I am not touching on tourism because I reckon there are some massive accounting problems there, and that is minus tourism and visitations from overseas and interstate. People are not coming to Western Australia under the Minister for Tourism’s watch.

Mr D.T. Redman: He has a two-year plan.

Mr V.A. CATANIA: He has a two-year plan. I wonder how that is going. I cannot see it and neither can tourism operators throughout Western Australia. But do not worry; we will go on to that accounting practice tomorrow.

There have been cuts to Moora Residential College, agricultural schools, camp schools, Schools of the Air and Carnarvon Community College—\$13 million is being cut out of that—and cuts to truancy officers. A report handed down by the Public Accounts Committee looks at how truancy has grown under this government’s watch. The State School Teachers’ Union of WA even said it. An article in PerthNow by Tony Barrass, dated 27 January 2019 and headed “Truancy fail for WA Schools, Education Department slammed by committee”, states —

A powerful parliamentary committee has belted the Education Department over the way it tackles truancy and its “consistent lack of progress”.

Especially in WA’s remote north west. It goes on —

The Teachers’ Union blamed the McGowan Government’s 2017 education cuts, saying truancy officers based in regional WA were the first to be cut.

This is a systemic problem. The issue is now gaining such momentum that everything in regional Western Australia has been cut first—cut, cut. No wonder the Premier has been saying that the \$40 billion debt is now suddenly a \$37 billion debt. I actually thought it would be \$35 billion; perhaps the government has borrowed a couple of billion dollars to pay for a few more things in Perth. Minister for Tourism, that accounting does not add up. I believe the government has taken the funds out of royalties for regions. Royalties for regions is dead under a Labor government—dead.

Dr A.D. Buti: No, it’s not! Where? Prove it!

Mr V.A. CATANIA: It is true! I do not think the member for Armadale has gone through the budget to see how dead royalties for regions is. This government has continued to cut regional education while it has had the royalties for regions fund. It should be taking the first 25 per cent of the royalties from places that create the

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wealth, like Port Hedland, and giving it back to communities like Port Hedland, but this government cannot find even \$10 million for the engine room of the Western Australian economy. The member for Pilbara should not have to actively campaign for \$10 million to be put into the school. This government's rhetoric is that there is no money. It has had a \$135 million windfall from PEXA, after the government said it would not privatise anything. It has had a \$1 billion windfall from the iron ore sector and a GST win. Who knows what else? The sale of Landgate is coming up—another thing this government said it would not privatise. What else? The government said that it would not privatise the TAB, but it will do that.

Looking at the four per cent, of those eight seats I just listed—a few of those members are in here today—those members are all in trouble. During question time today, I could see the nerves of the frontbench when those ministers got up to answer questions, and the lack of transparency while answering questions. That is what we can see. I reckon the backbench nervous Nellies must be getting really nervous because that four per cent translates to eight seats, and we have two years to go still. What is next? Regional education is being absolutely hammered by this government so that it can put money into Metronet and other places in Perth. I do not begrudge that, but there has been a windfall and \$10 million is all we need to fix Port Hedland school. I think it deserves it, given it is the engine room of the Western Australian and national economy.

I support the member for Roe's amendment. He has seen firsthand what this school is like. As we travel across regional Western Australia, we are starting to hear stories of regional education being cut to the bone. In fact, the government is trying to find ways to also take the bone because there is nothing left. The operations of the government have absolutely gutted regional education. I have not even gone into health. With a swing of four per cent—the member for Kalamunda is right there—those members will be gone in 2021. Start looking at other opportunities.

Members, I hope the government supports this amendment, because it is vital for the people of Port Hedland—the kids of Port Hedland—and remember that the Big Australian, BHP, lives there. Perhaps some of the \$300 million windfall that may result from recovering what BHP has not paid could go towards the \$10 million needed for the school. I hope all members will support this much-needed piece of infrastructure for this much-needed town to thrive and show it can deliver good-quality education.

MR P. PAPALIA (Warnbro — Minister for Tourism) [5.53 pm]: As somebody who was born and bred in country Western Australia and lived there for many years, unlike the last speaker who has never lived in country Western Australia, I take great pleasure in responding to this appalling amendment.

Point of Order

Mr D.T. REDMAN: The minister is misleading the house. The member for North West Central has a house in Carnarvon; indeed, he does live in regional Western Australia.

Several members interjected.

The ACTING SPEAKER (Mr S.J. Price): That is not a point of order.

Debate Resumed

Mr P. PAPALIA: That was incredible sensitivity on behalf of the member for North West Central, who did not grow up in country Western Australia and does not really know much about country schools.

It is nice that the member for Roe visited the Pilbara. It is good to hear that somebody from the Nationals WA has visited the Pilbara since their former leader lost the seat. I know the Nationals WA are deeply aggrieved with the voters of the Pilbara for rejecting their former leader and have yet to come to grips with the fact that for eight and a half years, he was not only the local member, but also a significant player in the government that neglected Hedland Senior High School. For eight and a half years, it was neglected during the most significant boom and the biggest flow of royalties through the coffers in Western Australian history. An unending supply of funds was available to rectify issues that confronted schools right across the state, particularly in the Pilbara, and the former government failed to do so. The former member for Pilbara was not only a leader of the former government, but also culpable and responsible for the appalling financial situation the state still confronts despite the good management of the current government. The contributions of the last two speakers gave a clear indication of why we are in this mess—confronting a \$40 billion debt that was bestowed on future Western Australians during the former government's eight and a half years in government. It will take generations of governments to fix the mess that you guys left this state in, and it is appalling to see the sort of behaviour that we have witnessed in the last two contributions. The Premier indicated during question time that not once has the former government accepted responsibility.

Mr D.T. Redman interjected.

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Mr P. PAPALIA: The member for Warren–Blackwood was a minister in the last government that was responsible for \$40 billion of debt being bestowed upon future Western Australians. Every single Western Australian for generations to come will be paying for the mess that the former government left. It failed, although it had more revenue than any government in history. The former government did not care about Pilbara then; the Pilbara was a vehicle.

Several members interjected.

The ACTING SPEAKER: Members, the previous contributions were given in relative silence without too many interjections. Can we hear the contribution of the minister in the same manner, please.

Mr P. PAPALIA: I think it was absolute silence, not relative silence, despite the appalling nature of the contributions.

The member for North West Central has done nothing since his party lost government and left that legacy of \$40 billion of debt, other than to attempt to turn country people against city people. This is the modus operandi of the fiscal wreckers—the fiscal vandals—that is the National Party in Western Australia. When in government, it spends like there is no tomorrow and takes no responsibility for the consequences that it bestows or imposes on the state, and in opposition, it tries to turn people against one another. It is shocking; it is appalling. The fact that some National Party members have not experienced growing up in the country probably explains it.

Hedland high school was neglected by the former government for eight and a half years. Since taking office, the Minister for Education and Training has had to confront a pretty appalling situation there with getting kids to go to school, getting kids to behave in school and enabling children who want to learn to be given that opportunity. None of that happened during the term of the former government. The former Leader of the National Party, who was the member for Pilbara, did nothing to help that school. When the current Minister for Education and Training took office, she had to confront a school that is 55 years old that has infrastructure demands, and \$500 000 has been allocated in this budget to deal with current maintenance requirements. Any future demands to improve infrastructure will be dealt with in future budgets in the normal process, in the same manner as all the schools to which the member for North West Central referred as though city kids are not entitled to a decent school. They have to sacrifice their schools that are older than 55 years and have been waiting longer than 55 years for upgrades; according to the member for North West Central, they should not be entitled. The member for North West Central made the outrageous assertion that someone was taking money from country schools to give to a city school, or taking money from country projects to give to Metronet. That is a ridiculous and outrageous assertion that the member knows is not true. The member engaged in base, crass political pointscoreing by trying to turn Western Australians against one another. When things are tough and we are confronting the biggest debt in the history of any state in the nation and a challenge of the nature we inherited from the fiscal vandals in the National Party of Western Australia, we should be encouraging people to pull together to confront the challenge. It is akin to standing on the beaches in World War II in the UK and saying, “Let’s blame the Scots because the Germans are coming and it’s all bad. Let’s not pull together and defend ourselves; let’s try and blame each other because that will benefit me politically.” That is what the member for North West Central is doing. It is just appalling, shocking and embarrassing. It is base, crass political opportunism and disgraceful behaviour from somebody who has not gone to a country school in Western Australia.

Mr V.A. Catania interjected.

The ACTING SPEAKER: Member for North West Central, I call you for the second time.

Mr P. PAPALIA: I am not finished yet. I have a contribution to make on what has been done at the school since the current Minister for Education and Training took up the cudgels and tried to assist the school.

Sitting suspended from 6.01 to 7.00 pm

Mr P. PAPALIA: I will continue from where I left off, probably in a more reserved fashion. I reiterate that it was quite galling to listen to the Nationals’ contributions earlier about Hedland Senior High School. When the present government took office, that school was in crisis. After eight and a half years of the Liberal–National government, with a senior member of that government as the local representative in that seat, responsible for that school, it was in crisis. There were serious issues—high levels of self-harm; a school leadership at war with the community; and a high level of student suspensions. I am told that in the first semester of 2017, there were 107 suspensions at that school. This was not a normal place. We inherited a school in crisis, and we had to work through the student welfare issues methodically. The Minister for Education and Training is doing a good job in focusing on the issue at hand—the welfare and safety of the children and the staff at that school—as a first priority. She is working through that in a methodical, systematic fashion.

As I said before, the school is in an electorate that was represented by a senior member of the former government. In eight and a half years, with the biggest revenue streams of any state in the country, with the capacity to do

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something about it, the former government did nothing. Instead, it went around the state splashing money all over the place, with the exception of Port Hedland, where the former Leader of the Nationals was representing the seat. The immediate concern of the minister when she took office was to deal with a serious crisis in confidence at the school, and the serious issues of student welfare. She has been doing that. Since 2017, the McGowan government has commissioned an expert review of the school and has given it additional staffing resources. I will outline those in a moment, because they are extensive and extraordinary, as members will understand when they hear them by comparison with their own schools. I am sure members will understand the extent of this assistance. A \$7 million package has been put in place across the Pilbara to boost school attendance and arrest the slide in performance in Pilbara schools, including Hedland Senior High School. In that first semester, when the government took office, the minister was confronted with a school that had experienced 107 suspensions in one semester.

The McGowan government has put 18 extra staff into Hedland Senior High School. There is an additional full-time deputy principal; the school now has four deputy principals. There is additional support from a lead school psychologist working with staff to develop stronger processes for managing student behaviour. An additional senior teacher, level 3, works in the school's internal behaviour centre. Two additional education assistants work in the lower school engagement program. Four full-time equivalent education assistants work in mainstream classes, and two education assistants work in the alternative program. A school chaplain works with parents and students in conflict, and a specialist mentor works with students and their parents, along with two level 3 student support workers. There is support for staff from PeopleSense and two community relation officers from South Hedland police. As I mentioned previously to the member for Roe, in the present budget, \$500 000 has been committed for urgent works in the first half of 2019, and further upgrades to the school will be considered as part of the budget process. That is an extraordinary response, and it is appropriately focused on the welfare and wellbeing of the students and staff at that school as the first priority.

Clearly, the minister has taken action where it was sorely needed before her arrival. This school was neglected under the National Party, under the former Leader of the National Party, and under the former Liberal–National government. In eight and a half years, with more money coming into the coffers than ever before in the history of any state government in the nation, the previous government failed to take action, and failed to respond to the immediate necessity—the wellbeing and safety of the students and staff of that school. The people on the other side of the chamber, from the National Party in particular, who moved this amendment and then contributed their appalling speeches to this debate, should be ashamed of themselves. They are engaging in crass, base politics, seeking at all times only to divide Western Australians.

Several members interjected.

The ACTING SPEAKER (Mr I.C. Blayney): I will have to start calling members if they keep interjecting like that.

Mr P. PAPALIA: Members opposite are seeking at all times to do nothing other than, as their highest priority, set country people against city people, and divide Western Australians, at a time when they confront this enormous challenge of dealing with the \$40 billion debt burden they face as a consequence of the financial vandalism inflicted on the state by the former government. It is a disgrace that members opposite have the gall to stand in this place and move this ridiculous amendment, and of course the government will oppose it.

Division

Amendment put and a division taken, the Acting Speaker (Mr I.C. Blayney) casting his vote with the ayes, with the following result —

Ayes (14)

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

Mr P. Katsambanis
Mr Z.R.F. Kirkup
Mr A. Krsticevic
Mr S.K. L'Estrange

Mr W.R. Marmion
Mr J.E. McGrath
Mr D.C. Nalder
Mr D.T. Redman

Mr P.J. Rundle
Ms L. Mettam (*Teller*)

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Noes (31)

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

Pairs

Mr K. O'Donnell	Mr M. McGowan
Mrs A.K. Hayden	Mr B.S. Wyatt
Mr R.S. Love	Mr K.J.J. Michel
Mrs L.M. Harvey	Ms M.M. Quirk

Amendment thus negatived.

Consideration Resumed

MR W.R. MARMION (Nedlands) [7.11 pm]: I rise to speak to the Premier's Statement, but before I go to the topics I want to mention today, I just want to acknowledge the retirement of my electorate officer, Donna Drake, who has been with me for more than 12 years. I just wanted to make sure, in case I ran out of time, that I acknowledged her up-front. In fact, when I first started as a member of Parliament, without her assistance I would not have known how to run the office; she basically ran it for the first few years.

Mrs M.H. Roberts: You still don't know, do you?

Mr W.R. MARMION: I still do not know! The member for Midland is dead right, and I thank her for pointing that out!

I intend to talk about some of my portfolio issues and how they are travelling under the Labor government, and also some of the issues that affect my electorate. But before I do that, I will just make some general comments about how the Labor government is travelling. One of the points its members like to hammer home on every occasion possible—including the last speaker—is the \$40 billion deficit it inherited. I think, after two years, people are getting a bit sick of that, and the media certainly is getting sick of it. If we look at the budget, we find that the forward estimates had a figure of \$40 billion, and because of the change in iron ore royalties, the GST windfall and the commonwealth government providing some —

Mr M.P. Murray interjected.

Mr W.R. MARMION: Mr Acting Speaker, I am trying to —

The ACTING SPEAKER: Minister, the member for Nedlands is seeking protection from you.

Mr W.R. MARMION: If the member for Collie–Preston continues like that, I will interject on him when he gets up!

The fact is that the only reason the budget may go over a \$40 billion deficit is if the actual costs of the Metronet rail project are put in this year's budget. But we all know what the Treasurer's tactic is, and I guess we would all do the same thing: make sure that the forward estimates costs, the capital costs for the Thornlie–Cockburn Link and the Yancheop extension, are deferred in the budget for as long as possible until revenue comes in from GST and the likely quite substantial increases in royalty payments that will emanate from the current higher price for iron ore. I think it is around \$A125 a tonne, which is quite substantial. The Treasurer is in the fortuitous position of having substantial revenue flows over the next few years. We are chastised for running up the deficit. If we had got a legitimate amount of GST, there would have been no deficit. In fact, I understand there would have been surpluses in each of the last four years.

Another point I want to make while we are on general topics and global issues is that not one Labor member has been able to identify a single project on which the Barnett government expended —

Mr T.J. Healy interjected.

Mr W.R. MARMION: I am talking about the last two years. They have not been able to mention one particular project of the former government that they would not have funded. Indeed, in their speeches, all the new backbenchers have toed the party line and smashed the performance of the now Leader of the Opposition, with the exception of one member—one new backbencher in the Labor Party. I refer to the member for Mount Lawley. He

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is not in the chamber now but in his maiden speech, although he covered that topic, he said that what the previous government did was the same as what a Labor government would have done. He actually suggested that Colin Barnett ran a Labor budget and he acknowledged that. That was the member for Mount Lawley, who was quite honest, and I appreciate him saying that. I highlight that point: can government members identify one project of the previous government that they would not have funded?

Another issue that members opposite like to hammer on about—the member for Victoria Park certainly did, legitimately, in opposition—is the land tax increases that we brought in. But the government has been in power now for two years, and if it thinks what we did was so onerous, it has had two years in which to actually reduce those land taxes. That is something it could have done.

Dr A.D. Buti interjected.

Mr W.R. MARMION: The member can run another argument; I have an opportunity here, for the first time, to run my argument without interjections and without being cut off or being told that it is an illegitimate point to make. I throw out the challenge: when the member speaks to the Premier's Statement, I ask him to point out a particular project funded by the previous Liberal government that his government would not have funded. I think the government was hoping, through its innuendo, that Optus Stadium would end up being a massive expenditure. It kept hovering there, perhaps hoping—which is a terrible thing to do—that the public would not warm to Optus Stadium, so it could then use it as one of its big points: \$1 billion in wasted expenditure. Unfortunately for the Labor government, the public of Western Australia think Optus Stadium—or Perth Stadium, as I would have called it—is a terrific benefit to the public of Western Australia. It helps tourism and has created jobs, and I think it is helping to put Western Australia on the map and bring interstate tourists into Western Australia.

Before moving on to my portfolio responsibilities, I want to make one more general comment about Perth Children's Hospital—a great addition to my electorate. Of course, my electorate already had Princess Margaret Hospital for Children. I heard the Premier saying today that had it not been for the McGowan government, Perth Children's Hospital would not yet be open. That was an extraordinary statement. What do members on this side think about that? The Premier said today that without his intervention, Perth Children's Hospital would still not be open. I am sure the media will agree with him on that. I have to say that when the Labor Party was in opposition, it was very successful at putting down anything good. The Labor Party put down Optus Stadium and the Perth Children's Hospital with the lead issue—I will get to that later when I talk about my electorate issues—and smashed Elizabeth Quay. The Labor Party does the SWOT analysis, finds out what is a really good project and decides that it has to hit it. Labor members say, "What can we do? Let's talk to our media people." There was some bacteria in the kids' playground. I take my hat off; it was a great media strategy. All of a sudden, when we were in government, Labor made Elizabeth Quay a negative, but, unfortunately, now that the Labor Party is in government, everyone likes Elizabeth Quay. In fact, a lot of the news bulletins use it as a backdrop.

Mr M.P. Murray: Not big enough. My boat can't get in the gate.

Mr W.R. MARMION: That is right. One of the problems is that it probably could be bigger. I totally agree. Labor members did not like Elizabeth Quay—they smashed it—but now it is a great asset for Western Australia. While I am talking about urban renewal, Yagan Square has been another great urban renewal project for Western Australia. The Labor Party has had the benefit of being in power and opening all those projects.

Before I close off on global issues, I have to mention the Thornlie to Cockburn Central rail line and the Yanchep rail extension. They are key Labor Party election commitments, but, in two years, we are yet to see a substantial plan for that infrastructure. The government has had two years to do the final design, go out to tender, show us its plans and even put some money in the budget. Hopefully, this year's budget will have substantial funds in the forward estimates for those two projects that the Labor Party promised as election commitments. Will we see some stalling on those projects so the government can make sure it has a surplus budget all the time that it is in power?

I will close on a road project. It is not really my portfolio area, but I was the last Minister for Transport in the Liberal-National government before the last election and I had a tiny bit do with the projects then. Roe 8 was one of the projects. I am very disappointed that the Labor Party does not see that Roe 8 is a key piece of infrastructure for Western Australians. Fortunately, I live north of the river, so I do not have to drive on Leach Highway very often. But the times that I have driven on Leach Highway, I have felt sorry for anyone unfortunate enough to live in a house on Leach Highway, which is not a controlled-access highway. A controlled-access highway does not have houses with driveways that back onto it. Roe Highway is a controlled-access highway. It was put in the Hepburn-Stephenson plan in 1955 by Professor Stephenson, an esteemed planner in Western Australia. Why did he put it in? He put it in because people like to have ring roads and ring rail. It was to be the only ring road in Western Australia. If we complete Roe 8 and Roe 9, we will finally have a ring road in Western Australia. Beijing

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has about seven or eight ring roads; we do not have even one. If we want to have a proper urban infrastructure program, we need to do that.

I want to move on to a couple of issues in my portfolio. First, I will talk about mining and petroleum. We have a minister, in the member for Cannington, who has an interest in mining and petroleum. I know that his daughter studied geology. It is great that we have someone who at least understands mining. Unfortunately, I think other people in his party—probably not him—do not have the same positive leaning towards mining, demonstrated by some of the policy decisions the minister has made, either unilaterally or under pressure from other elements within his own party. I will start with the uranium exploration ban. Why would the government do that? Why would the government ban an investment company from investing its own money, purchasing a lease and exploring for uranium? If it does not find uranium, we still get valuable information from the drilling operations for the geological database in the Department of Mines, Industry Regulation and Safety, expenditure and jobs. I cannot believe that that policy is in vogue at the moment. We are so lucky that uranium miners got their projects through and approved for construction when we were in government, because the Minister for Mines and Petroleum has said that when the uranium price reaches a level at which the uranium miners can export, he will approve their projects. They can go through that process.

Mr W.J. Johnston interjected.

Mr W.R. MARMION: The minister can talk when he gets his time. I have very little time.

Mr W.J. Johnston: You've misinformed us.

Mr W.R. MARMION: The minister can tell me I have misinformed him when he has his time to speak.

The next issue I want to talk about is the exploration incentive scheme. The minister said that the exploration incentive scheme was a great initiative of the Liberal–National government. I would like to take credit for it, but I have to give credit to the South Australian Minister for Energy and Mining and the former member for Kalgoorlie. The former member for Kalgoorlie knew that the mining industry in her electorate was not going as well as it could be. Indeed, on the Fraser Institute “league ladder”, South Australia had overtaken Western Australia’s strong position. The member for Kalgoorlie worked out why that was. It turned out that South Australia had an exploration incentive scheme, whereby a mining company could apply for 50 per cent of the cost of the exploration of a site—either a gas or a mining hole—and the government would pay the other half. A greenfield site would get a higher priority than a brownfield site. We just pinched what South Australia had. What happened? Within three or four years, we were the number one place in the world for investing. Western Australia went from about seventeenth to number one in the term of our government. I think we have dropped to three or four in the last two years with the Labor government. We are watching this space, and we hope we do not drop any further.

That leads me to other new policies. Is the exploration ban on gas hydraulic fracturing a great policy? Miners cannot drill for gas on 98 per cent of Western Australia’s land area if they are going to pressurise the rocks three kilometres down. If miners want to put a bit of fluid pressure on rocks to break them up to see whether there is gas in there, they cannot do that on 98 per cent of Western Australia’s land area. This is stopping job creation and a massive amount of expenditure, because for each gas hole for a hydraulic fracture, a miner spends \$10 million on drilling and another \$10 million on analysis work. The drill holes are usually in extremely remote areas. For each hole, there is \$20 million worth of expenditure, which can create jobs. Indeed, a lot of these very remote places have Indigenous communities who can work on site. The evidence is Buru Energy. A lot of the local Indigenous community around Noonkanbah have jobs with Buru, and they actually support hydraulic fracturing.

Mr T. Healy interjected.

Mr W.R. MARMION: I am not saying anything; I have a lot of issues to get through.

I cannot believe that the Labor government that came to power saying, “No new taxes”, would increase the gold royalty rate. I was quite surprised that initially there did not seem to be too much backlash from the industry. We went and spoke to people in the industry and eventually they did see that the royalty increase would not be good for them. One of the senior people in the gold industry—I will not mention their name—said that they had had meetings with the Premier and believed that the gold royalty would not go up. This was only some weeks before the big surprise of the uppercute from the government that is was going to increase the gold royalty. I know that the Treasurer is still smitten by that result—that we managed to block the royalty increase—and has mentioned in public that it is still on his agenda. The gold price is now \$1 850 per ounce. It is high. The danger for the gold industry is that this royalty rate increase could still come back in.

[Member’s time extended.]

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Mr W.R. MARMION: I put it to Western Australians that it is very handy to have one commodity that can ride through the bad times. We do not want to kill the goose that lays the golden egg, and for us, in Western Australia, that is gold. I think it is very handy to make sure that we look after the gold industry, and that is what we on this side of the house will be doing. I had better finish with mining and petroleum because I have only 10 minutes left.

I want to touch quickly on innovation, which is very important for Western Australia. We have had some good results and I commend the Minister for Health for supporting the Harry Perkins Institute of Medical Research, which is in my electorate. It received quite a lot of funding for research and is probably punching above its weight. In Western Australia, it has historically been very hard to get commonwealth money for medical research, but the Perkins institute does a great job. It has some world-class researchers who are winning many awards.

Again in my electorate, I want to mention three locations that support or accelerate start-ups. Bloom, at St Catherine's College, started in 2013. It supports younger people participating in start-ups. At the moment it has 50 start-ups on its books, which is great for young people, for Western Australia and for our futures. The Centre for Entrepreneurial Research and Innovation is a private working hub accelerator that supports and helps to educate people to market their start-up facilities. In November last year, *The West Australian* reported on a young lady who has been very successful in looking for a simple blood test that will detect whether a person has melanoma. At the moment, it is pretty hard to determine whether a person has melanoma and they will usually have skin cancer before it is detected. CERi supported her by marketing a start-up business that she created. I commend Charlie Bass, the founder of the centre. To quote the article, he has —

... taught her how to write a business plan, make a pitch and engage with investors. The courses and guidance had given her the confidence to commercialise the technology ...

The name of the business is MeIDx.

The University of Western Australia has also started its own collaborative hub, which opened late last year. It is called UWA IQX. I commend the people in my electorate who are pushing for start-ups and supporting innovation.

I will make a quick point about science. Members on this side of the house were terribly disappointed that Western Australia did not get the aerospace headquarters. That was despite a very good report done by the Chief Scientist, which explains that Western Australia is the best place to have an aerospace headquarters. Peter Klinken wrote a great report but, unfortunately, although other states had reports that I assume were not as good as ours, they also threw cash on the table. South Australia, in conjunction with the Australian Capital Territory and the Northern Territory, was unfortunately the preferred bidder. Nevertheless, the HQ is not everything. Commonwealth money is available for the industry and we have to make sure that we get some of the infrastructure in Western Australia. It might be in the member for Geraldton's electorate. Perhaps we could be launching satellites from the member for Geraldton or the member for North West Central's electorates. We must fight for that because it will be great for Western Australia. We already have world-leading scientists conducting research here in Western Australia—at UWA, Curtin University and Edith Cowan University. If we support the industry, there will also be more jobs, which will involve higher levels of technology. I hope the Minister for Innovation and ICT will push hard for that because we will be pushing him hard from this side.

I will quickly mention defence. I have to reluctantly say that the Minister for Defence Issues, who is not in the chamber, did the right thing and organised a briefing for me with the general who is working on the defence strategy for Western Australia. In the meeting, I asked, "Since defence is a commonwealth power, why are we doing a defence strategy?" Obviously, it would have to dovetail into the commonwealth strategy, otherwise it would be useless. He assured me that it did. He was working with the commonwealth and assured me that any defence strategy that the state government of Western Australia comes up with will be segmented as a component of the commonwealth strategy. When I went to a function at the Governor's office, the minister mentioned that he genuinely wants to work positively with me on defence.

I will refer to a couple of issues in my electorate. I have to be a bit negative about UWA. I am a very strong supporter of UWA; I have two degrees from there. Unfortunately, in this case, I will have to agree with some people in my electorate whom I do not always agree with. UWA has a new building on the river called Forrest Hall. When people drive along Mounts Bay Road, which I sometimes do, and I know the member for Thornlie's parents probably drive past as well —

Mr C.J. Tallentire interjected.

Mr W.R. MARMION: They have not rung my office but I am sure that they feel the same as I do. The view of the river has been terribly distorted by being totally blocked out by the new building. With two degrees from UWA, this hurts me. It is even worse because I was a resident at St George's College, which used to have views of the river. It now has lovely views of Forrest Hall. That is not the end of it; Forrest Hall stage 2 will be next cab off the

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rank. People from all parties are calling me—the most right-wing person I can imagine to the most left-wing person I can imagine. Usually, I will never get that. Everyone I speak to thinks that there could have been a better design with a bit of flow through, or perhaps it could have been lifted by columns so people could still see the river. I like to give UWA as much praise as I can but, unfortunately, in this case I have to give it a very low score. I sympathise with everyone in my electorate on that one.

I will also mention Harvey House, the very first maternity hospital in Western Australia, which was pushed very strongly by Edith Cowan. Unfortunately, my wallet does not have the latest \$50 note in it, but the note has Edith Cowan on it and, right next to her is a little picture of Harvey House. It is on Bagot Road in Subiaco.

Mr D.R. Michael interjected.

Mr W.R. MARMION: It probably would.

Mr D.R. Michael: It did; this building.

Mr W.R. MARMION: It is a heritage-listed building and it has a lot of significance. Its two turrets are falling into decay and it needs to be done up. It is owned by the Department of Health. The Minister for Health is not here but I have spoken to him about it a couple of times. I put a question on notice and got the answer back today. There is no money in the budget for Harvey House, but it would be an extreme embarrassment to Western Australians if the turrets fall off the only building in Western Australia that is on an Australian note—in fact, the note with the second highest value. I have asked the Minister for Health whether the department could find \$20 000 to get a conservation plan and find some money to do it up, given —

Mrs M.H. Roberts: We asked the former government to introduce demolition-by-neglect legislation.

Mr W.R. MARMION: To knock it down?

Mrs M.H. Roberts: No, demolition by neglect is to prevent demolition by neglect and put an onus on the owners of the properties not to let —

Mr W.R. MARMION: That would be good. The minister must mention that to the Minister for Health. I am sure it will not get to that stage because half the building is used as the medical museum and the other half is used as the staff gym. They have a vested interest in putting in a bit of money to keep the gym going.

I have three minutes remaining, so I might mention that the main issue I guess for the Cities of Subiaco and Nedlands in my electorate are the proposed town planning scheme changes. The whole community in both Subiaco and Nedlands were shocked when the WA Planning Commission, approved by the Minister for Planning, proposed a rather dramatic increase in housing density in both the Cities of Nedlands and Subiaco. Both councils took a different approach to the WAPC plans. The City of Nedlands chose to pretty well totally oppose the WAPC's position. However, the plans that came out last week show that the minister has listened to some of the residents, not necessarily through the council, and some areas that were of major concern such as around the Nedlands Primary School seem to have been omitted by the minister. She has downscaled the proposed density in an area around Waratah Avenue. Nonetheless, I daresay the residents in that area will still be upset. The minister has also downscaled the proposed density a little bit along Stirling Highway. That is an area in which development could be upscaled but we have to be careful when approving infill development that the provision of services such as water and power can occur otherwise problems can be created. We also need to ensure that we do not overpopulate areas to the point of not having enough car parking spaces.

That leads me to Subiaco. I point out that I meet with both Subiaco and Nedlands mayors regularly to discuss issues in-camera. The Mayor of Subiaco has engaged with the government, but she has a problem with increased housing density around the Dalglish railway station, a historical area. It is important we look at that and get it right.

While the clock is ticking away, I would like to say that this an important year. It is the third quarter and we will be putting a fair bit of pressure on ministers, certainly on the ministers I am shadowing, and I hope they perform well.

MR J.E. McGRATH (South Perth) [7.42 pm]: If I were a minister in the McGowan government, I would be terrified that the member for Nedlands was after me! The Minister for Sport and Recreation had better hope he does not replace me as shadow Minister for Sport and Recreation or he will be in for a terrible time!

Mr M.P. Murray: I am absolutely terrified!

Mr J.E. McGRATH: Like many of my colleagues in the Liberal Opposition, including the member for Nedlands, I am looking forward to the challenges 2019 will bring, not just for us in opposition, but also for the government.

I listened to the Premier's speech and there are a lot of things on the agenda. From my experience when we were in government, I can recall things we brought up in our party room two years into the last term that we had not

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done by the end of the four years. I am not sure the Premier will be able to deliver on all the things he promised the people of Western Australia today.

One thing he mentioned that interested me was the sale of the TAB. As a member of the Barnett government, which first floated the idea of privatising the TAB and, might I say, in the face of fierce opposition from the Labor Party, I look forward to participating in the process in my role as shadow Minister for Racing and Gaming. Obviously, my friend the member for Bateman, the shadow Treasurer, will handle the bill for the opposition because it will be brought in by the state Treasurer. Although we will remind the Premier time and again about the size of the backflip over the TAB, I have been in this place too long to become bitter that a new government will bring in something that we initiated. The most recent examples were the new stadium opened by the McGowan government, but it was a Barnett government project. The former Premier and former member for Cottesloe was invited, which was a good gesture by Premier McGowan. The Forrest Highway to Bunbury was a project of Alannah MacTiernan under the Gallop and Carpenter governments. We won government in 2008 and our Premier and Minister for Transport opened it but former Minister MacTiernan was invited to the opening and she helped cut the ribbon.

I will be very pleased when the sale of the TAB finally goes through. It has been a long time coming. The Leader of the Opposition, who is not in the chamber this evening, was state Treasurer in 2014. When he first hinted that we might sell the TAB, that opened up a Pandora's box and there were all sorts of calls from the industry that the Liberal government would destroy the racing industry. A year later, in 2015, the same Treasurer, Hon Mike Nahan, announced that the government would progress with privatising the TAB. The racing industry is still waiting thanks to a lot of political argument over whether the TAB should be sold. When I talk to racing people now, I get the feeling that they have come to accept that it is inevitable that the TAB will be sold. Although I am not privy to the process that the government will take on this, I suspect that some sort of enabling legislation will be brought before us, maybe in this first term of 2019. Once that has been approved, the matter will go out to tender. Tabcorp has already declared its interest in the Western Australian TAB. Hopefully, there will be other bidders. There is talk that Sportsbet, one of the big corporate operators, is also interested. The more bidders the better for the government and the racing industry so that we have good competition.

Mr M.P. Murray: What made you change your mind; early on you were —

Mr J.E. McGRATH: I do not do many backflips in life.

Mr M.P. Murray: Not at your weight and age anyway!

Mr J.E. McGRATH: I always felt that the TAB should be left in government hands until the arrival of the corporate bookmakers. When I went to a conference with the Minister for Sport and Recreation and he took me around spending all my money in Hong Kong, we realised that the world was changing in terms of wagering, and a small TAB like the Western Australian TAB could not compete with the big international operators. The world has become much smaller in terms of wagering and I thought privatisation was the only hope. I am also pleased the government has pledged 35 per cent of the sale price of the TAB to an infrastructure fund. When I chaired a committee that looked at the RWWA act, after five years—as part of the act it had to be reviewed—one of the biggest problems facing the industry back then, and it is even bigger now, was infrastructure. The government has pledged 35 per cent of the sale price—I think that would be the net sale price—to an infrastructure fund. Also 30 per cent of the point-of-consumption tax, which began on 1 January this year, is going to the industry.

The other thing in the Premier's long speech that aroused my attention were his comments about Metronet. I want to take this opportunity to call on the government to seriously look at a train station in South Perth. This has been on the agenda since 2002. Since 2002, there has been talk of a train station in South Perth.

Mr T.J. Healy: The McGrath station.

Mr J.E. McGRATH: I just want the station.

I believe the densification we are now seeing in the Mill Point precinct demonstrates the need for a station on the site set aside on Kwinana Freeway near Richardson Park. This is a very interesting story, which I want to run through. Back in 2002, before I was elected and as part of the plan for the Perth–Mandurah railway, the concept of a South Perth train station was flagged as part of the planning for the rail project. “South Perth Station Concept Design Report” was commissioned by the Perth Urban Rail Development. At the time, it was agreed that the low user number estimated for a South Perth train station did not provide sufficient justification for the project, and that was fair enough. It was acknowledged that if the picture of substantial growth could be presented as an inevitable and real phenomenon for the precinct, there was justification for setting up the proposed infrastructure to meet this need in the long term.

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I ask anyone who drives along the freeway or wants to drive through South Perth to look at some of the development and growth that has happened in that precinct in the last couple of years, and there is more to come. This will be a really vibrant area and it will attract a lot of workers. It will become a good commercial precinct, similar to West Perth. What does it need? It needs a train station so that people do not have to bring their cars to South Perth. They could jump on a train and get off at Richardson Park and go to work or go home.

Mr W.R. Marmion: Or the Zoo.

Mr J.E. McGRATH: Or the Zoo.

In the 2007–08 budget, there were plans for station precincts at Mandogalup, Success, Canning Bridge and South Perth. They were all started, and at that time I had been a member for only two years. I remember asking Hon Alannah MacTiernan, who was the Minister for Planning and Infrastructure at the time, what happened to the allocation, because the people of South Perth had been told that the station would be delivered by 2010. When I asked the question, the then minister agreed and said that she would look at the issue for me, as she had not gone through that particular document, and she would see whether she could bring the project forward. I had a commitment from the minister—she was very good to work with—that she would try to bring it forward. In the 2008–09 state budget—that was the budget just before the Carpenter government was defeated in the election that was called early and Colin Barnett was elected as Premier—it was recorded that the Public Transport Authority had a \$218.7 million planned capital works program, comprising \$172.9 million for works in progress and \$45.8 million for new works. One of the major initiatives was to commence planning for a new rail station in South Perth. Members can imagine how excited I was when I read the budget papers. The PTA's capital works program for works in progress for the station was estimated at \$31.7 million, and that included \$850 000 for planning the station. The \$31.7 million was the total construction cost, including planning. I was very excited.

We won the election and then something happened. As a result of a decision of the Economic Audit Committee—I hope the member for Nedlands was not on that committee—three capital works projects were deferred beyond 2013.

Mr M.P. Murray: I heard a rumour that you wouldn't have the station unless it was the McGrath stop!

Mr J.E. McGRATH: I cannot take any more interjections!

The previously approved cash flows up to 2012–13—all the money in the forward estimates—were taken out. Unfortunately for me, that included the money for the South Perth station.

I am aware that some discussions were had; they might have been with Hon Simon O'Brien, who was the minister at the time, or Hon Troy Buswell, who was another transport minister. There were discussions with representatives from the City of South Perth, because they were obviously quite disturbed that this train station had been taken out of the forward estimates. The message to the city was that it needed to demonstrate to the government that there was a need for the station and then it would look at building it. In the meantime, Minister MacTiernan agreed, under strong pressure from the member for South Perth, to have the freeway realigned. Minister MacTiernan had the freeway realigned, so there is now a footprint there to plonk a station on. The City of South Perth released a South Perth station precinct plan, which stated that the purpose was to develop a framework to guide development in the precinct surrounding the planned South Perth train station on the Perth–Mandurah line. All the way, the message was about working towards building a station in South Perth. The plan included a PTA station design of an unmanned station with an island platform, a pedestrian overpass above Kwinana Freeway and a station entry building at the north-west corner of Richardson Park, which is where people play cricket and it is alongside Royal Perth Golf Club and opposite Perth Zoo.

Mr W.R. Marmion: And hockey.

Mr J.E. McGRATH: And hockey.

It also included an alternative design by a consultant team, involving development of a building complex on the corner of Richardson Park to include major office, community and civic facilities. Right opposite that was Perth Zoo, as the member for Nedlands reminded me. Over 650 000 people a year go to Perth Zoo. When the debate about the station was on, I told the story of a lady who lived in Rockingham, because a lot of South Perth people worry that a station will bring in the wrong types. This lady said that when she took her two kids to the Zoo, they had to get a train to the station at the bus terminal—there was no Elizabeth Quay at the time—and walk to the Barrack Street jetty. They then had to get on a ferry and go back over the river. They got off the ferry and walked up Mendis Street to the Zoo. After walking around the Zoo with the kids for three hours, it was time to go home, and they had to go back home along the same path. She said that if there had been a station at Richardson Park, they could have got off there and walked 100 metres to the Zoo and then gone home the same way. A lot of Zoo attendees would use the station, because the figures from Perth Zoo show that about 80 per cent of people who go to the Zoo are local residents; only about 20 per cent are tourists. A lot of local people take their kids to Perth Zoo. It was great in the

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old days when we had plenty of time and the world was not so fast; people could jump on the ferry and take a day trip. People do not have the time these days. That is another reason I am pushing for the station.

In 2017, the City of South Perth further engaged a number of planning and design consultants and produced the “South Perth Peninsula: Place + Design Report”. This has been very controversial, because a lot of residents in Mill Point Road do not want change; they do not want the high-rise, they do not want more people coming in and they worry about traffic and things like that, which is another reason the train station is important. It has been difficult for them to accept change. It is a bit like the member for Nedlands’ residents who also find it difficult to accept change. My message to them is that the population is growing and we cannot continue with the urban sprawl and have people living on the other side of Mandurah or Yanchep. We have to use the land close to the city and build up. The only way we can get more people in is to build up.

The recommendations of the report from the City of South Perth reflect the strategic directions of the city. The state government also recognises that the station precinct will continue to play a major role in accommodating a fair share of South Perth’s anticipated population growth as the wider city of Perth moves towards a population of 3.5 million by 2050. An article in *The West Australian* of 15 August 2017 about the future of South Perth stated that over the next decade or so, South Perth is estimated to have around 55 000 residents, 688 apartments and 190 short-stay apartments.

Let me talk about what has happened. Recently, Minister Saffioti signed off on a special precinct plan, which the minister can do, to allow a development in what we call the civic heart, which is the part that is bordered by Mill Point Road, Labouchere Road and Mends Street. It has a little police station and the old post office, both of which are heritage buildings.

[Member’s time extended.]

Mr J.E. McGRATH: As a result of that, the developer Finbar has acquired all the land. It is going to build two towers, one of 39 storeys and one of 22 storeys. There will be 309 apartments with one, two, three and four bedrooms, and 25 ground floor commercial tenancies. Finbar’s managing director, Darren Pateman, who is a resident of South Perth—I have never met him—said that Civic Heart would become a truly defining project at the centre of an active and vibrant mixed-use precinct. That is what he said Civic Heart would be. Two 20-storey buildings have already been completed. The Pinnacle in South Perth was completed in 2016—a project valued at \$70 million, with 20 storeys and 102 apartments. Aurelia, a more recent one, was completed in April 2018 at a value of \$136.5 million. It has 118 apartments and 20 commercial lots. As at April 2018, 102 apartments at Aurelia had been presold. Four other development applications are currently before the State Administrative Tribunal, after being refused by the joint development assessment panels. I would like to think that the tallest building will be one that has been approved, the Civic Heart, because the City of South Perth would like that to be a statement as people drive in. I do not want South Perth to be like New York or Manhattan. One day it will be, but not in my time. I think that is the plan that would be acceptable to most residents. We now also have a Quest apartment in Mends Street, South Perth. It is a fantastic development, with 90 rooms over six floors. It will bring a lot of tourists to that precinct. As a lot of these tourists will be football fans, it is another reason that we should maybe look at getting ferries to run from Mends Street, Elizabeth Quay or wherever to the new stadium. There is a jetty for the new stadium. The previous government funded that to the tune of \$5 million, but there will not be any public transport. The Public Transport Authority does not believe it can run that ferry service, but there is no reason that independents cannot run it.

The other thing about transport that I want to raise briefly is that it is great to see that work on the Manning Road on-ramp has begun. This is a project that was mainly funded by the federal government, but the state government has also come on board with some funding. It has bought up the blocks of flats that needed to be moved to make way for that ramp. When that is finished by the end of 2019, it will make traffic a lot more easy flowing along Manning Road for people wanting to go south down to Fiona Stanley Hospital. If they want to watch the Dockers train, they will be able to turn left onto the ramp onto the freeway at the end of Manning Road rather than having to drive up to Canning Bridge and then turn around and come back again. Whoever planned the Canning Bridge precinct, I do know who it was —

Dr A.D. Buti: It is really difficult.

Mr J.E. McGRATH: It is difficult. A person coming down Canning Highway to Canning Bridge who does not know the area and wants to go into the city will not know they cannot turn right onto the freeway. It is very problematic. There is a group of cyclists in Manning that has been asking for a safe crossing of Manning Road. It wants a tunnel under the Manning Road ramp so that people can come from the southern side, the Manning side, go under the road and then straight up to Canning Bridge. This has been a difficult one for me. The Minister for Transport’s office has offered to give me an update on the project’s design and development, including

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consideration for an underpass or an overpass—whatever. I have been liaising with my constituents on this matter. Two constituents, Mr Warwick Boardman and Mr Graham Blackwell, have come to my office, and we have met and discussed the issue. After, the minister's office told me that I might be able to discuss certain things in the design, including consideration for an underpass or overpass. This group of constituents has been dealing with Main Roads directly. According to my notes, it was advised by email on 14 December 2018 —

... that an overpass/underpass is currently being considered as part of the project design development.

However, in late December 2018 and January 2019, I was told by these constituents that correspondence to them from Main Roads said that an overpass/underpass proposal could not be accommodated within the project budget and time frame. That is disappointing, but I will raise it with the minister. They might have left it too late to get this put into the project. I am now due to have a briefing from Minister Saffioti's office on 21 February. We hold our breath and see what the outcome of this might be.

Getting back to my shadow portfolio of sport and recreation, there are few things I have been involved with in these first two years of the McGowan government. The first one regards problems at Barbagallo Raceway over the tenure of the lease, because Barbagallo Raceway is a state-owned facility, but it was built by the WA Sporting Car Club. The club came to that site some years ago when it moved from further out and it has always run it. There was some doubt over whether it will continue to run the site, because motorcycles also want to operate there. There was a feeling that if there are different groups, a competing group should not have that management right. I had a meeting with them. There were some issues with safety that I spoke to the minister about. I raised those things with the minister. I congratulate the minister for the work he did. When I spoke to the group, I was told that it did not want me to go public on this issue. The group told me that I was in opposition, that it was dealing with the minister and to see how things panned out. I am happy to say that the Sporting Car Club has been able to do a lot of work on the track—to lay down a new track. Safety features will be put into the new track to facilitate motorbikes. The signature event is the touring cars when they come once a year. That is a good outcome, minister—congratulations. I gave the group an assurance that I would not go public. I told it to work things out with the minister and I am glad the minister did that.

The other thing is that I visited the State Equestrian Centre at Brigadoon. It is quite a historical place. The State Equestrian Centre was built by a couple of infamous characters—Alan Bond and Laurie Connell. I did not know Alan Bond, but I knew Laurie Connell, because he was a racing man. Alan Bond was not really a horse racing man, but he was into equestrianism.

Dr A.D. Buti: Connell had his stable in Bedfordale.

Mr J.E. McGRATH: Yes, it was in Bedfordale.

I had never been to the State Equestrian Centre, because I was more into horseracing. My wife was an equestrian rider; she rode at the Royal Show. She was a good show rider. I went out there and could not believe the centre. It is amazing.

Ms L.L. Baker: When did you go?

Mr J.E. McGRATH: I went a couple of months ago. I met the CEO, Dwight Pedlow. I knew his family; they were racing people. We had a good look around and I said that it could be put anywhere in the world and done up a bit. It would be a great showplace like where the Lipizzaner horses are in Vienna and things like that. The centre needs \$15 million. From what I am told, the problem is that Connell and Bond bought the land, built the facility, and then gave it to the state government. They just handed it to the state government and said, "This is yours. This is a gift for you. It's an equestrian centre." The state government did not really want it, so it gave it to the City of Swan. When the equestrian centre seeks funding, because it is not on Crown land, it cannot go through the Department of Local Government, Sport and Cultural Industries and get the funding that the department gives to sporting groups for improvements and new facilities and such things. It is in a bit of a bind, but it is looking for funding from the federal government and the state government. A federal election is coming up, so I suggested that the people at the centre talk to their local member, Hon Christian Porter, and see what he says. I have also raised it with the Minister for Sport and Recreation, but I think it is a wider issue than that. A lot of people ride horses. It is huge. There are 93 equine clubs and 10 000 members use that facility.

Mrs M.H. Roberts: You're telling the member for Maylands that, are you?

Mr J.E. McGRATH: No. Is it in the member for Midland's electorate? I do not think it is.

Mrs M.H. Roberts: No, it is just slightly beyond my electorate, but no-one knows more about horses in this place than the member for Maylands.

Mr J.E. McGRATH: The member for Maylands, yes. I might beg to differ on that.

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Several members interjected.

Mr J.E. McGRATH: Yes. I am just making this statement now. The State Equestrian Centre is a very worthwhile organisation. It is good to its animals and looks after them. It is a good facility, but it needs a bit of work done to it. The seats and all that are old and breaking up. With all the money that the McGowan government will have in the next couple of years, \$15 million is achievable. I think the member for Maylands has sorted out the business with Dan Murphy's; she stopped it in its tracks, so she might use the lever a bit and get some funding for the State Equestrian Centre at Brigadoon.

MR A. KRSTICEVIC (Carine) [8.12 pm]: Firstly, what a pleasure it is to be back here in 2019 to represent both the constituents of Carine and all the people who fall under my portfolio areas of local government; heritage; culture and the arts; citizenship and multicultural interests. It was interesting earlier today listening to the Premier deliver his address for 2019. As I was listening to his words, I was reflecting on the many speeches that the now Premier has given over the years that I have been in this Parliament, both when he was in opposition during the election campaign and since then. I can only hope that he does not stick to his track record of delivering only a very small percentage of the things that he says he will do. I hope that he will introduce all these wonderful initiatives as opposed to just thinking that they will be introduced. We all know his track record there is not very good. I encourage those on the other side, especially the backbenchers, to try to hold the Premier and the ministers to account to make sure that they do their jobs properly. At the end of the day, the worse they do their job and the less the backbenchers hold them to account, the more chance that the backbenchers will not be here after the next election.

Mr S.K. L'Estrange: That is very good advice.

Mr A. KRSTICEVIC: We have also seen that occur on many occasions ourselves. Backbenchers need to take that on board very, very seriously. Otherwise, they are along for the ride and happy to jump off the train at the next election. I suppose where members sit on that spectrum will be determined by how much they contribute over this coming year.

We know about the gold-standard transparency that was talked about before the election and the lack of transparency that we have seen since then. I cannot believe that we are still going through that process of lack of transparency and that people are not being open and honest. At the end of the day, people always find out the truth and they wake up to these games that people play. On many occasions in this Parliament question time has been worse than a farce in terms of getting answers. We know that we are onto a winner when the relevant minister starts making personal attacks. They do not know what they are talking about, they do not know the answer and they are flustered, so they revert to survival mode and come up with personal attacks.

We have seen freedom of information requests being dragged out ad infinitum before information is released, and even when they are released, a lot of the information is redacted. Ministers have refused to answer questions on many occasions. Members have gone to the Auditor General and the Auditor General has said that there was no reason that the minister should not have answered that question. There are no confidentiality or commercial-in-confidence reasons and the minister should have answered that question. There is a litany of those examples on the record over the past two years. I ask all ministers to lift their game a bit and to try to make sure that 2019 does not end up being a reflection of the last two years. Like I said, they are doing a disservice to this Parliament and to themselves and the people of Western Australia by not taking their jobs seriously. We have talked about backflips, and I think the Russian Olympic team would be happy to have most people in this Parliament —

Dr A.D. Buti: They are banned. Most of them are banned.

Mr A. KRSTICEVIC: Exactly, because they are not honest. They do not do things properly. The Russian Olympic team might be a good idea for the ministers. They would fit in really well because they are really good athletes and they are not necessarily being honest about what they are doing and how they are dealing with those other issues that I talked about earlier.

We know about the backflips. There is a litany of backflipping in education. That is well documented and the minister there has a very poor track record. I looked at the Alston cartoon in today's paper and the one thing I was surprised that I did not see was the Minister for Education and Training. I thought that there should have been a big light bulb for her right in the middle of the desk, because for a while now hers has been going off the most as far as the Premier is concerned. Obviously, the way that the upper house is managed is a reflection of how well the government is really doing in this area.

We already know about the gold tax. I was amazed about the rock lobster industry when I heard about that over the break and the fact that the government was, basically, trying to take 17 per cent off the top of that and increase the quotas. I thought to myself: if the government wanted to increase the supply in Western Australia, why did it

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not give them a licence to take more themselves and say, “These are the ones available to the local market”—end of story? They signed confidentiality agreements and said that they were not allowed to go out and say anything. It is ridiculous. I do not know what country we live in, but it is amazing how the minister can take that sort of approach in dealing with an industry. When Hon Norman Moore was looking after that industry, he made some big decisions to try to make sure that it was sustainable and had a future. That is disappointing.

I refer to the foreign buyers tax and property values. We know that people are suffering on that front. The death of the tourism industry, the regional migration scheme and all these things have impacted on this state’s economy. I refer to the first home owner grant. Hopefully, if I get a chance, I will talk a bit about property values and how people are hurting in that respect.

Last year we had a big fight about Picabar, and because of the hard work on this side of the house we saved Picabar. The government wanted to close it down, get rid of it and push the family out on to the street, more or less. However, after some strong encouragement from the community and members on this side of the house, negotiations are going on and we are looking for a positive resolution for Picabar. That is yet to happen, but we are heading in the right direction. I think that is very good to hear.

I refer to the situation in which this government finds itself in 2019. We have already heard from the member for Nedlands about the iron ore prices and how well they are going, and from various commentators about the \$1 billion bonus that is going in the government’s direction. We also know about the GST fix—\$4.7 billion. We know about the successful wages freeze, which we on our side would have struggled to do because the unions would have been up in arms if we had tried it. However, obviously, Labor keeps them under control very well or they keep Labor under control. I am not sure which way it works, but the government had that synergy working to get that wages freeze, which is important. The federal government has been giving the state government bucketloads of money, which it has been redirecting to other projects while cutting its own funding commitments to those projects. Of course, a federal election is coming up, which is another bonus. When the government talks about how well it is doing, it should try to feed some of that story into the picture as well so that it is not all about the government. There is a lot of support from the federal government, and international circumstances are also helping it to fix up the books, which is great. I think that is positive. I am very supportive of the fact that all this money is flowing into the state and I hope some of it will find its way to all the people who are struggling out there in the community. There are a lot of people who need that support.

We know that our unemployment rate is still the highest in Australia, at 6.4 per cent, which I think is quite disappointing; the national average is five per cent. Business confidence and investment is down at the moment as well. We need to talk it up, that is true, but also when we go out there and talk to people in the community, we need to know that they are struggling and finding it hard. Sometimes we can try to sell a picture in this place that does not reflect the reality on the ground. Again, that can end up working against a government.

I also want to make a point about transparency and accountability. When the Premier or a minister comes into our electorates, we get an email to say that they are going to be there on a particular day. The email arrives the same day, of course, as it would. When we email back to ask where the Premier or minister is going to be so we can catch up with them, we do not get a response. It is almost a waste of time sending that email in the first place. I am not sure how much that person is paid to do that all day, but I am sure that a better job could be found for them than sending emails to us that mean nothing. It is quite disappointing to get those sorts of things.

I want to mention a rally that was held last year out the front of Parliament. The Labor Party may not know about it, because nobody from the Labor Party showed up to talk to it. It was a rally of ratepayers’ associations from across Western Australia. They came to Parliament to say that they had issues and concerns that they wanted to be heard. In the local government sector it is not just about the councillors and the administration; the ratepayers are also important. I addressed that group, and people have been in touch with me. They were disappointed that the Minister for Local Government or a representative was unable to front up at the rally just to have a listen to what they had to say and so that they could get some things off their chest.

We know that the City of Perth inquiry was extended over the summer break. Members would have had to listen to the radio to catch that one, because there was no announcement by the minister. There were no bells and whistles attached to that one; it just sort of snuck in under the radar. Luckily, there was an article in the *Guardian Express*, so people were able to find out that the City of Perth inquiry has been extended from May 2019 to January 2020. I think it was appropriate to extend the inquiry. I went to the first public hearing, which the minister did not attend, and it was very clear to me from the stuff people were talking about that they needed more time and had a lot on their plate. Of course, we have no idea about the cost of the inquiry because it has been extended by a long time—about seven or eight months. That is obviously going to add to the cost of the inquiry and there is no mention of funding or whether there will be enough money. The duration of the

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commissioners' role will no doubt be extended as well, so there will be another additional cost to the ratepayers of the City of Perth. One might have thought that there might have been a public announcement to say, "We're going to spend all this extra money to try to do this, and you need to be aware of this." I am disappointed that that did not happen, but I have been sending out that message.

Over the last two years the Minister for Local Government has not been doing much in the Parliament in respect of legislation. The Heritage Bill was introduced by our government. The Local Government Amendment (Auditing) Bill was also introduced and passed. The Local Government Amendment (Suspension and Dismissal) Bill 2018 was the only bill that the minister introduced, but he made a long list of commitments prior to the election that are yet to come through. The phase 1 and 2 changes are yet to be introduced.

The minister also signed a partnership agreement with the Western Australian Local Government Association and Local Government Professionals WA. I am a big supporter of partnership agreements. I think it is great to have a strong working relationship with the key bodies, but I was disappointed with the consideration in detail process of the Local Government Amendment (Suspension and Dismissal) Bill, which took nearly two years to get through this Parliament. It was ultimately a very simple bill in the sense that it reflected legislation in other states. It was considered to be a high priority, yet it took nearly two years from the election of the McGowan government for it to get through. It was the only bill that the minister drafted. I wrote to WALGA and Local Government Professionals WA to say that the minister had said he followed the partnership agreement, and what did they think about that? Was that true? I just want to quickly read what they sent back to me after I asked that question. LG Professionals said —

We understand due to time constraint —

Time constraint! —

the time frame as stipulated in the Partnership Agreement could not be adhered to fully.

Under the partnership agreement, the government was to introduce the bill and give the sector 12 weeks to look at it. It took the minister two years to get this bill through, yet LG Professionals said that it was told there was a time constraint and the government did not have time to give to it. It was the excuse that it gave. What did the minister say to WALGA? A different reason was given to it —

In respect to the Suspension and Dismissal Bill, the Government had advised that this was an election commitment and hence did not require the full sector consultation process.

Here we have the minister going on about this wonderful partnership agreement and consultation process, and for the first bill, one of them says "time constraints" and the other one says "election". He cannot even give the same message to the two peak bodies about why he is not consulting with them. The minister tries to give me a hard time and says, "You didn't have a partnership agreement", but he is just running that one into the ground and not even following it. I want to put it on the record that I am supportive of the agreement and I will try to hold the minister to account to make sure he does that.

I have obviously spent a bit of time visiting councils, all the way up to Exmouth in the north, and down to Albany in the south. A lot of them would like to see the minister. We were both recently in Albany and I met with the City of Albany. The people at the City of Albany said to me, "Tony, it's fantastic that the shadow minister's here." I said, "How was your meeting with the Premier and the minister?" They said, "Well, they haven't asked for a meeting with us. They didn't want to talk to us." I could not believe it; I was sitting in their offices, but neither the Minister for Local Government nor the Premier talked to the council in Albany, or any other minister for that matter. I was shocked; I could not believe it.

I want to make sure that the minister knows that people want to talk to him and want him to understand what is going on in local government by actually talking to them rather than just hearing things on the grapevine. As much as they admire his song-and-dance routines, they would actually like him to roll up his sleeves and do some work and show up. I encourage the minister to do that.

There was an article by Paul Murray in which he talked about the minister not showing up for councils and making all these promises. I can give him some feedback. I have been out there and met with these councils and they have issues and concerns. I am sure the minister knows that I sent out an email to all 1 247 councillors, or thereabouts. I sent out a couple of emails asking them for their concerns and issues and offering to help in any way I could to assist their councils to get the government to do the right thing. I had a pretty good uptake. I have had councillors from the south, the north, the city and even from the country, driving all the way to Carine to see me; I could not believe it. When they told me where they came from, I thought, "All right; you're keen! Obviously I'm here to listen to you." It just worries me a little when I get that demand for my time and I say to them, "What about the department and the minister?" They say, "The department's got no resources and the minister's not interested."

[Member's time extended.]

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Mr A. KRSTICEVIC: That is something I wanted to put on the record.

We know about the Local Government Amendment (Auditing) Bill, the financial audits and the performance audits. The Auditor General, for the first time, has done a performance audit. I am sure members are aware of that because they are all very keen to know what is happening with their local governments. The performance audit had to do with procurement around eight councils. It is the first time that a performance audit has been done by the Auditor General. It is worth having a look at that report; I thoroughly recommend everyone has a read of it. It is dated October 2018. Eight councils were looked at, including Bassendean, Dalwallinu, Fremantle, Harvey, Karratha, Stirling, Kalgoorlie–Boulder and Greater Geraldton. It was interesting to look at their procurement practices. I will quickly read what the Auditor General found. The report states —

- 5 of the 8 LGs had instances of staff not seeking and recording quotes in line with their own policies
- 2 LGs had purchases that should have gone to tender, but did not.

...

We found 23 purchases across 5 LGs, one of which had 8 instances where staff did not obtain quotes or failed to record them in accordance with their policies.

...

We also identified 2 purchases at 2 LGs that should have gone to tender, but did not.

The report further states —

We found weaknesses in key controls around approvals, segregation of duties, and checking of invoices at the 8 LGs. This exposes LGs to unnecessary ... risks ...

The report also found —

- 5 purchase orders across 4 LGs that were approved by staff without the appropriate authority to do so ...
- 13 instances across 5 LGs where purchase orders were raised after invoices were received ... It is not possible for the LG to determine who approved the initial request for the goods or services, and if they had the proper authority to do so.

The report states —

We identified 36 invoices across 8 LGs that could not be verified against purchase orders, quotes or contracts. The invoices contained insufficient detail to reconcile them against agreed contract milestones and price schedules ...

As members can see, there are a lot of problems relating to purchasing in local government. That was found in every single instance that I looked at. The report also states —

Five of 8 LGs had not effectively segregated key steps in the procurement process or had insufficient records to show controls had been followed.

...

Four LGs captured insufficient information for us to independently verify who was receiving goods and services and approving invoices to progress to payment.

...

All 8 LGs claimed exemptions from procurement policies ...

It further states —

- 5 LGs did not have sufficient records to support sole supplier exemptions ...
- 1 LG used the sole supplier provisions 5 times for purchases totalling nearly \$150,000 but did not keep records to support these exemptions in line with its own policy. In 1 instance, when we requested support for the use of the sole supplier provision the LG advised that the supplier was an authorised distributor of a product, not that they were a sole supplier.

The report also found —

- 2 LGs required panel member declarations of interest ...
- 1 LG had instances of incomplete and unsigned panel member declarations

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The list goes on. As members can see, there is a range of problems in the procurement process in these eight local governments. Under the new local government bill, all these local governments will be required to provide a report to the minister within a set time frame. The report must be provided to the minister within three months of receiving the audit report, and within 14 days after the local government gives the report to the minister, the CEO must publish a copy of the report on the local government's official website. Under the local government auditing reforms, local governments are subject to certain requirements once they have been audited by the Auditor General. The only councils that have done the right thing so far are Stirling, Kalgoorlie–Boulder and Greater Geraldton. Bassendean, Dalwallinu, Fremantle, Harvey and Karratha are currently in contravention of the reforms. I would be interested to know whether the minister is doing anything about that. Obviously, there is an issue with these councils reporting back on areas that have been identified as fixed—they are not reporting back. Who knows whether they fixed all their purchasing problems.

The bigger issue for me here is that the Auditor General took a sample of eight councils and found that all eight had problems. There are technically 148 local governments, if we count the regional governments and the Cocos (Keeling) Islands. Eight were sampled and all eight had a problem. What is the minister doing about the rest? Will the Auditor General get funding to audit all the local governments now that we have a 100 per cent strike rate of problems? Some of those problems are quite serious. People are raising purchase orders without authority. Documents are not able to be found. Nobody knows who is signing for, picking up and dropping off the goods. It does not get any better than that when it comes to misuse, which potentially leads to corruption. The Corruption and Crime Commissioner has carried out a number of inquiries and found a number of problems. I believe he has also indicated concern that corruption has the potential to be rife in local government. He would like more resources to be able to look at corruption within local government. It is up to the Attorney General to give the Corruption and Crime Commissioner more funding so that he can do more of these things in local government. I know he is keen and that he believes there are issues that need to be looked at.

Very quickly, I wanted to raise another point that was very concerning to me. We all know that people are struggling out there at the moment. We know how difficult it is. People are not getting pay rises, and fees and charges are going up at an astronomical rate, as we have seen over the last two budgets. Hopefully, we will not see anything as bad in the next budget, because, as I indicated earlier, the government is flush with funds. Money is coming in from all directions. That is a good thing, but hopefully some of that will support all the people who are struggling. One of the things that concerned me when I was doing some research about unpaid rates is that local governments are repossessing people's homes—they are kicking people out of their homes when they are unable to pay their rates bills. That is a real concern. Supposedly, under the Local Government Act, local governments have the authority to kick somebody out of their house if they have not paid their rates, and they are doing that. I do not think that is a very good thing. It is a very bad thing. That should not be allowed to happen. I do not think a local council should be able to throw someone out of their home if they have not paid their rates. I think they need to manage that at an early stage rather than chase it up a number of years down the track. We are talking about a fair bit of money. I believe there is about \$73 million worth of unpaid rates across a range of councils: Mandurah, \$2.9 million; Wanneroo, \$14.5 million; Swan, \$10.5 million; Melville, \$5.6 million; Rockingham, \$5.3 million; Gosnells, \$4.6 million; Canning, \$4 million; Kwinana, \$3.5 million; Stirling, \$3.32 million; Kalamunda, \$2.3 million; and Cockburn, around \$2 million. A lot of councils have a lot of unpaid rates, but they need to work more carefully with their ratepayers. I do not want to hear about any more people getting kicked out of their homes because they have not paid their rates.

I have an article which states that in the last financial year, council rates had surpassed \$1.6 billion—a 4.2 per cent increase on the previous year. I think councils are doing okay with their funding. They have a fair bit of money at their disposal. Maybe when they spend money around the area, they need to be conscious of the fact that people are struggling. They need to be careful how they spend that money, because what they are doing is not appropriate. I have an example, which the member for Balcatta will definitely like. It relates to the City of Stirling. He is probably well aware of it. The City of Stirling chased an amount of \$300. A particular individual paid his rates late, for whatever reason—I cannot remember—and he got a \$300 fine for doing so. That fine sat on the books for a number of years. He ignored it and said, "That's ridiculous; you can't charge me \$300." The council ended up taking him to court. It spent tens of thousands of dollars trying to get this \$300. The judge obviously threw it out and said, "Go away. I'm not interested. You're wasting the court's time." The council took it further. It was all over a \$300 fine. It was not even over the original rates; it was an actual fine. The council spent tens of thousands of dollars of ratepayers' money chasing up this person.

Mr D.R. Michael: What would your solution be if someone does not pay their rates?

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Mr A. KRSTICEVIC: Firstly, they need to get onto it early. After three years, I think a council can start doing that. In the first year, it needs to get onto it straightaway, find out what the situation is and put the ratepayer on a payment plan or some sort of scheme. As I said, people are struggling. Home values have dropped.

Mr D.R. Michael: I think you'll find most local governments do that.

Mr A. KRSTICEVIC: That is good. I hope that is the case. I am reading these articles I found through the research I have done. It is concerning. We need to be conscious of the fact that people are struggling. If we kick people out of their homes, where do they end up? They end up in public housing. We are just cost-shifting. The state cost-shifts to local government. In this case, the local government is cost-shifting to the state. Obviously, it is distressing for families.

I read another interesting article from 20 October 2018, written by Peter Williams. It stated —

Self-interested councillors and toxic relations between elected officials and executives in a sector struggling to attract and keep professionals have been identified as threats to the quality of WA local governments.

Eric Lumsden, one of the three commissioners in charge of the City of Perth while its council is suspended, says there are too many elected people in local government driven by private rather than public interest.

The article goes on to state —

... good councils had been changed overnight by the election of officials whose aim was to remove other councillors or even an entire council.

“They’ve got no interest in getting to a corporate position,” the former chairman of the WA Planning Commission said.

It is concerning when someone of Eric Lumsden’s stature, with experience in not just local government but also planning and as a commissioner for the City of Perth, is saying that he does not think councillors are there for the right reasons. I do not know where he got his information from but he obviously has far greater networks than I do.

At the moment, representatives from Local Government Professionals are doing work with CEOs because CEOs are feeling under pressure from local governments. Councillors feel as though they have lost control of their councils when their working relationships with the CEOs are not working well. As far as the local government reforms go, councillors would like to have more say in how the administration does its job and how the administration is controlled by the CEO. That debate needs to take place between the minister, the councillors and the CEOs to work out how a better working relationship can be established on every level. There is a bit more work to be done there. Obviously with the number of inquiries that are going on at the moment, the department is extremely under-resourced and I think it is disappointing that the minister has neglected his department and is not giving staff enough capacity to do their jobs. They have a big job; they have so much to do and I hear from people that they are struggling, morale is low, and that they are not getting the minister or the government’s support. There are not enough people in the department and the machinery-of-government changes have failed the Department of Local Government, Sport and Cultural Industries. It does not have the capacity and the sector feels it—councils feel it, councillors feel it, CEOs feel it—and that is why they are running to the Western Australian Local Government Association and the LG Professionals. The department has failed and people are looking for support. WALGA has stepped up to the mark and is filling the government and the minister’s spot. The president of WALGA is doing more work than the minister is for local government reform.

MR D.T. REDMAN (Warren–Blackwood) [8.42 pm]: It is good to be back, charged up and ready for the new parliamentary season! I know that members who talk a little bit later in the evening never have quite the audience they might have had if they spoke in the earlier sessions, but my goal is to keep the member for Collie–Preston awake for the next half an hour!

Mr M.P. Murray: I’m working!

Mr D.T. REDMAN: He is awake!

I first want to talk a little bit about some of my portfolio areas, then I will refer to issues in my electorate. We do not get many chances to talk about some of the detail in our electorates, which I feel is pretty important.

State finances is the first area I will mention. We hear from the government ad nauseam about what it has to fix up from the last government, as well as the fact it got the GST back into Western Australia and that all the other settings that it put in place are delivering better outcomes for the budget. Yes, the budget repair is clearly there and there are good outcomes, which we saw in the mid-year review. However, the government was lucky to be in

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a position in which there was an election and the GST solution came from a federal coalition government. That delivered a significant outcome to the bottom line. Iron ore prices are now running at \$94 or \$95 per tonne, which will also bring back some revenue to the government.

I have not seen one minister who does not want to get their photo taken in the new stadium! Every minister is out there getting their photo taken —

Mr P.C. Tinley: I don't get invited!

Mr D.T. REDMAN: The Minister for Housing is the only minister who has not had his photo taken in the stadium. We need to remember that government members wanted it in Kitchener Park, Subiaco and of course the stadium is one of the greatest investments that has happened in Western Australia. It is a significant piece of infrastructure, as is Perth Children's Hospital. My granddaughter was unfortunately in the hospital and I was massively impressed with what it is delivering to the state, not only in infrastructure but also support services to the state.

We also have the challenge that at some point the government has to bring the Metronet project to book, which will start to have a tangible impact on the budget. I have no doubt we will start to see some of that towards May. Government members also say that they support royalties for regions. We know that they have gutted it to help the bottom line, and of course people in regional Western Australia are in significant pain because of the lack of focus from this government on what is important to people in the wealth-creating parts of the state. We are still hearing rhetoric from government members. At some point, their big project will have to be brought to book and we know who will pay for that—regional Western Australians.

Regarding corrective services, 2018 was not a good year for the Minister for Corrective Services; it was a pretty average year. He had the biggest breakout in our history. Acacia Prison was described as a powder keg. Overcrowding occurred in the Eastern Goldfields Regional Prison. There were concerns about population pressures in Albany Regional Prison. Even before the end of last year, news articles referred to the overcrowding crisis in Eastern Goldfields Regional Prison and this year, we are starting on a fine note. On 11 January 2019, a headline in the *Kalgoorlie Miner* read "Fed-up prison guards strike." It was the first strike for some time. I quote —

WAPOU secretary Andy Smith said officers were routinely forced to work additional 12-hour overtime shifts on their days off to maintain staff levels, claiming shortages such as those in Kalgoorlie were a factor in last year's riot at Greenough Regional Prison in the Mid West.

...

Concerns at EGRP came to light in October when it emerged that a 40-bed wing of the \$232 million prison, which was opened just 2½ years ago, remained closed because of staffing shortages and security issues.

Mr Smith said the union was concerned further units could be closed if more staff were not attracted to Kalgoorlie-Boulder.

Staffing issues in prisons is a recurrent issue; it is this government's issue. It needs to own that and this minister is responsible. He banged on about the fact that units were empty when we were building units in prisons. He has a prison that the Prison Officers' Union is saying is cause for significant concern. I remember when we were in government and we rolled out the district allowance. The member for North West Central will remember this; when it was rolled out, Roebourne Regional Prison was the hardest prison to staff in Western Australia and there were 20 people lined up to go there. This government needs to sort out regional incentives because if it does not, it will have more problems going forward. We will watch the corrective services space pretty closely because 2018 was not a good year and 2019 has not started very well.

Aboriginal affairs is another tough one. It is great to have the member for Kimberley in the chamber today. There was recently a very sad coronial inquiry into Aboriginal youth suicides. It is very tragic and everyone looks upon that as a failure. We need to do better. There will be government responses and advice did come out of the inquiry but the only advice I am going to offer is although there will be a focus on some of the short-term acute issues, it is important that we have a longer term agenda, particularly in the education space—including early childhood and preschool attendance, school performance and setting targets. My only advice is that the longer term agenda forms the backbone of whatever response government puts up. The government will have my support in any initiatives that try to tackle those issues. The other key message that came out of the inquiry was the notion of co-design. We rolled out a Kimberley schools program that was co-designed with about half the Kimberley schools on school attendance and maintaining attendance figures in those areas. I have not yet seen data on that but it is my intention to get a briefing on it early this year. The co-design aspect is critical to getting outcomes in regional Aboriginal communities. The work that we put into remote services reform was only part of the challenge. Nevertheless, it has certainly been supported by this government. It is a very challenging area and at a very sad point in Western Australia's history. We have to do significantly better.

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On the energy front, I am the National Party energy spokesperson and I am also on a parliamentary committee that is looking into microgrids, as are you, Mr Acting Speaker (Mr S.J. Price). I am finding the inquiry tremendously interesting and it will be valuable in supporting government to set up its energy policies going forward. Changes are occurring, particularly in technology. The disruptive behaviour that it is having on our grid in particular is causing changes that cannot be sustained in the long term.

The level of photovoltaic penetration, particularly in places like Carnarvon and Esperance, the electorates of my colleagues the member for Roe and the member for North West Central, means that no-one in those communities, as I understand it, can go on to PV if they want to because it has reached a cap. I do not think it is acceptable that not everyone in Western Australia can install solar panels on their roof and contribute to the grid. A lot of things need to happen in the energy space. I am sure the committee I am involved with will help give some guidance to that.

We saw also a strong focus on Collie recently. The member for Collie–Preston, the member for Bunbury and the Minister for Energy were down there taking heat from the community. They have to work through challenges as they go forward.

Mr M.P. Murray: We didn't see one National Party person there.

Mr D.T. REDMAN: In the last news there were lots. We were investing in royalties for regions, which is an area this government has smashed. Of course, there are some issues.

I do not think anyone can replace all the generation infrastructure that has previously been in Collie in relation to what the future holds, so there have to be other replacement areas. We rolled out a model indicating where we might get natural gas, using a facility to develop compressed natural gas and distribute it to other regional centres in the south west. I thought that had merit financially as well as practically in distributing into the south west community what is our greatest asset in this state as far as energy is concerned.

Mr M.P. Murray interjected.

Mr D.T. REDMAN: I know the minister holds Collie dear and it is challenging. I am not sure that the words that were coming out of the mouth of the Minister for Energy will do the member for Collie–Preston too many favours in the Collie electorate.

Mr M.P. Murray interjected.

Mr D.T. REDMAN: The other issue in the energy space is that solar, wind battery solutions are presenting themselves as cheaper alternatives, particularly in regional Western Australia, on the edge of grid areas, whereas previously, poles and wires would have been the solution. The challenge is that the regulations deliver only a poles and wires solution when other choices are emerging, unless it is a trial. We held a number of trials when we were in government. These are the things that will need government regulatory settings to catch up to ensure we can deliver cost-effective, good solutions in regional Western Australia in particular, because that will be the area where the business case works best. I am a living example of that. In budget estimates a couple of years ago, I referred to a quote I was given of \$70 000 to connect a property I have in Denmark to Western Power. When I raised it as an issue, I said that I was not being encouraged to connect, but if I could connect, I would become a payer. Three days later, someone called me and said, "We'd like to go over your numbers again; can we have a look at it?" They came back and said it would cost \$180 000 to connect to Western Power. I will now have solar panels and batteries.

Mr M.P. Murray interjected.

The ACTING SPEAKER: Minister!

Mr D.T. REDMAN: The member for Warren–Blackwood, member for Collie–Preston, is taking on those new initiatives with vigour.

The other issue broadening the energy space is the pet project of the Minister for Regional Development, the Albany wave farm project, which has gone through a lot of debate in this house and a lot of public commentary about its financial capacity and that the company has missed its first milestone payments. I have just got an FOI response that goes through all the discussion points about how negotiations occurred to give Carnegie Clean Energy some money—\$2.6 million—because it could not make the full cost of the first milestone. Now we know the company is pretty close to the deadline of having to present to the minister a plan showing how it has the financial capacity to deliver that project. That will be a challenge.

Today's *The West Australian* refers to the R&D credit issue being one that apparently might not be a barrier now. Despite that seemingly being resolved for the company, the minister needs to ask some significant questions before giving out more taxpayer money to the company to deliver that project, particularly given that in its last annual

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report, the company argued there was a material uncertainty about it being a going concern. That was a position supported by the auditor of that report, and therefore something I think should be significant and weighing on the mind of the Minister for Regional Development. Interestingly, in answers I got back today, she does not make decisions about whether the money is given. It all happens in the Department of Primary Industries and Regional Development so, presumably, she is staying away from that decision. I would have thought with the focus on this issue, she would want to be right onto it and would want a briefing note before anything happens. But she seems to be distancing herself from the decision around hitting those milestone payments.

Another interesting point is that I asked mid-last year how many jobs the project —

Mr V.A. Catania: Hundreds?

Mr D.T. REDMAN: The member for Albany talked about hundreds of jobs. I remember the campaign going to the election. There would be hundreds of jobs turning into thousands when all this energy would be produced in Albany from renewable sources.

Mr V.A. Catania: Two hundred?

Mr D.T. REDMAN: No, member.

Mr V.A. Catania: Five hundred?

Mr D.T. REDMAN: No, member. In the middle of last year, the government said there would be 15 jobs from the Albany wave farm project. I said, “Wouldn’t it be interesting to know how many of those jobs are in Albany and how many are in Perth?” I would have thought if someone in Albany is talking about jobs from this project, they would probably be in Albany.

Mr V.A. Catania: Fifteen.

Mr D.T. REDMAN: The first thing the minister said was, “We got it wrong; it’s not 15, it’s 16.” So the number is going up. Secondly, 15 of those 16 will be in Perth and the other one is in the UK. All the local jobs for local people are in Perth and one is in the UK. I thought that was pretty average. It is an interesting little finding for this project that will deliver a massive number of jobs to Albany!

Mr M.P. Murray interjected.

The ACTING SPEAKER: Minister for Sport and Recreation!

Mr D.T. REDMAN: The minister and/or her agency will be making a decision about whether the company should get the next milestone payments, hence more taxpayer funds to deliver a project that does not seem to be working out too well.

The last point I make from a global view is that we talked about backflips last year, but not until they started to mount up so that we could get a bit of public traction. Now they are happening so often, we cannot possibly avoid the facts. We have seen the decision on the lobster industry. The Minister for Fisheries needs to wear that. He went out there on his own with all the people rattling in behind him, but suddenly the Premier says, “Hold on; we’ll back up; this is not working too well.”—backflip. We saw the Moora Residential College backflip. Thanks to the member for Moore for his efforts on that. We saw the School of the Air backflip. We saw the Perth Modern School backflip in the early stages of the government and the community resource centres backflip. We have heard the government say that it would sell the camp schools, then saying it would lease them to the private sector—another backflip. The greatest cost-shift con the Labor Party has put in place is the backflip on royalties for regions. It is not doing what it said it would do when it went to the last election. There has been backflip after backflip after backflip. The cracks are starting to appear.

I know from the pressures that will come with the budget on agencies, talk is happening behind the scenes about what will happen once asset sales occur. Once profitable strands start coming through the state budget, the pressure will come onto wages and a range of other areas, which will show through for the Premier when he gets into this place.

Getting onto my electorate, I have a couple of comments. Greens Pool is a beautiful part of Denmark. The Minister for Fisheries has a habit of no consultation and suddenly locked out fishing in Greens Pool. That is going down okay in my electorate but the local recreational fishing people who like to take their kids down there, particularly in the middle of winter, would like that option. I am suggesting to the Minister for Fisheries that having a seasonal approach to it might be smarter. If he had talked to the community, that probably would have been the outcome. I have talked to recreational fishing people down there, particularly Richard Ricketts, who has the fishing shop in Denmark and who is connected to that community—I have got his name in *Hansard*—and who says, “What about leaving it open for winter? That would be awfully smart.” The Minister for Regional Development is looking at

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making some investments in that and certainly not backfilling what we had there—over \$10 million to upgrade those facilities—but I hope some positive announcements will be made soon.

The Water Corporation signed a memorandum of understanding to supply treated wastewater to the Denmark golf course. The Minister for Water pulled that. Again, I seem to be pointing to the same person. In my view, he is under some moral obligation to support that. The golf course is now stressed for water. It is a pretty significant asset, particularly given that it has invested in grass greens for the golf course on the back of this agreement that was in place with the Water Corporation. It is very disappointing.

I cannot talk a great deal about the next issue, but I put to the house a motion to support an inquiry into short-stay accommodation advertised on digital platforms, but it did not get debated. I thank the chair of the committee that I am on and the Minister for Planning, who I know was consulted about it, for getting that inquiry up. I have not seen all the detail yet, but I know that there has been a substantial amount of interest in it. Although I am meeting with people in my electorate, I am not meeting with people outside of it. I encourage members to keep an eye on this, because it will be a good debate if we can land a good and fair outcome not only for this disruptive technology, but also for people who have been impacted and hold a very strong view that they are not on a level playing field with others who might not be in hosted accommodation circumstances. That is one that is running right now.

[Member's time extended.]

Mr D.T. REDMAN: The southern forests irrigation scheme is a project that I still support. I am pleased that some federal funds from the Deputy Prime Minister, Michael McCormack, were invested in that project to help with business cases moving forward, but also particularly for those who are outside the scheme who are concerned about being impacted by the water allocations that the scheme is going to draw. It is quite a sensitive issue in Manjimup, but, again, it is a project that I support. We need to have an ear for those who feel that they have been impacted and we need engagement from the Department of Water and Environmental Regulation to ensure that flow records allow them to properly and accurately assess the available water for their farms so that what is going into the scheme does not compromise or conflict with what they might otherwise draw from the stream flows. It is quite a sensitised issue and it is one that I would like to see a greater level of engagement from government on. I am trying to get in there to assist on all fronts. Again, it is a project I broadly support. At the same time, water fee licences are coming in. From the consultation, it seems that everyone hates it. The last thing that those in the agriculture sector in my area need is this water licence burden. Although they are prepared to pay something, they are trying to land a position when government finally puts up some sort of model. It is a bit like a driver's licence. It is a fairly substantial figure, given that a number of them have a number of water licences.

Another project that is pretty important to about 13 shires in the south west of the state is the Busselton airport terminal. My colleague the member for Vasse is across this because it is in her electorate. A decision will impact all of the south west. If we can support the final piece of the jigsaw puzzle so that planes of a significant size from the eastern states can land at the airport, we will open up the whole south west to the tourism market. I commend the Minister for Tourism for doing what he can to get airlines into Western Australia. This is a project he should be red hot on. Member for Collie—Preston, it will present solutions and options for Collie. All the shires down there would benefit from it. The first pieces are in place. A signature is needed for the last \$10 million so that the terminal can be built and it can set up the attraction necessary to bring an airline into the south west. I am disappointed with how that has run. I have lodged a range of FOI requests and asked questions about decisions that I am concerned about, but I will not talk about them here. It is critically important and I would have thought that this government could support it with a significant infrastructure investment to do something for tourism in the south west. Margaret River is doing it tough. Interestingly, we see Margaret River as a tourism icon of Western Australia, but it is doing it tough right now.

Mr M.P. Murray: You shouldn't have put the ring-road around it; they all keep going.

Mr D.T. REDMAN: Does the member not like the perimeter road?

Mr M.P. Murray: No; \$60 million for that was ridiculous.

Mr D.T. REDMAN: It is a ripper. I will let them know that the member does not like it. I will let them know that he thinks it is ridiculous. It was to deal with a safety issue in one of our iconic destinations. It is the centre of the Gourmet Escape and the Margaret River Pro on the international surfing circuit and it is one of the appellations for our wine industry in Australia. I have an interesting story, but I do not know whether I have mentioned it before. I remember when I was a minister and in Japan to assist the wine industry with some wine tastings. I was talking about Perth and they asked me where Perth is. I said that it is three hours north of Margaret River—and they knew exactly where it was. It has international branding, which I think the south west and great southern more broadly can swing off. I think it is being underdone by this government. That perimeter road is a cracker.

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Another issue that came up in the last budget is enhanced prescribed burning, and of course it has shown up in the midyear review. I remind the house that the Department of Biodiversity, Conservation and Attractions has about \$10 million—at least it did back in 2015—to put towards prescribed burning. When we were in government, under the then Minister for Environment, Albert Jacob, we put in an extra \$20 million, or \$5 million a year for four years, to support the then Department of Parks and Wildlife to meet its burning targets, and it did that. In the last two years, the department has met the 200 000-hectare target for the first time in eight years and for the first time in two consecutive years since the 1990s. It was a significant investment targeted at keeping the people in the south west safe from significant bushfires. This government has supported that. It is in the budget, but in the midyear review there is a drop of \$2 million in this financial year's contribution from royalties for regions to that program. It was \$5.5 million and it has gone down to \$3.4 million. I hope that that will not impact on the autumn burning program. It is a significant program to ensure that burning targets are met so that south west communities and, indeed, a lot of other communities, including the hills, are safe. That is an issue. It does not look good when the budget is coming up. As there are no figures in the out years because it is part of this coming budget process, we are concerned that it does not give communities confidence that this investment will be made.

My colleague Hon Colin de Grussa did his research and found out that a decision made by the Minister for Planning to approve a development for 120 lots in the Perth hills, against the advice of the WA Planning Commission and the Department of Fire and Emergency Services, will put future communities at risk. When we see a decision like that, it does not augur well for a government that says that it is looking after communities in fire-prone areas. This minister made that decision in her first couple of months in government and I do not understand it. That matter requires further debate.

I also want to touch on something that has not had a lot of commentary in this place, but I certainly acknowledge that it happened, and that is the terrible disaster in Margaret River, the Osmington Road tragedy. Another person at a meeting down there has autistic kids and, interestingly, the children who were lost in that terrible incident were also autistic, so there was a strong, supportive autistic community there. They are now struggling through a level of concern because of the impact of this terrible trauma on issues that they already had with a disability focus. I strongly support Jonelle Fraser, who is doing a lot of work to support communities, including bringing key people down from Perth to support a discussion to help the community work through those challenges. I think there is an argument to be made when there is a significant trauma such as this that has a latent history in a community. There is scope to use Margaret River as a trial or case study to inject support services into the area for people who have been through a trauma and lay it over other broader issues that they have and the impact that that has as a collective.

While I am talking about this issue, I got a call recently from the Minister for Education and Training, who told me that the principal of Manjimup Education Support Centre, Ron Ng, had, sadly, died. It was a terrible tragedy. He was a very good principal. He will be terribly missed. Interestingly, he was hooked in as a support network for those autistic kids in Margaret River. An autistic network was supportive, and one of the key planks of support has, sadly, died. There is an issue of support there that I think deserves more than a cursory glance from government about how similar circumstances in the future might play out.

The Greenbushes lithium mine is in my electorate. It is a fantastic mine. I will put on the record that Pat Scallan works there. He is one of the shire councillors in the Shire of Bridgetown–Greenbushes. I have never known a person to engage the community like he does. A lot of other mining companies could take a feather out of his cap in how he engages and gets the community onside for a range of things, including having a big mine right next to a little town like that. Of course, it is going through an expansion and a couple of things are emerging in that expansion. There is one thing that I support. This will significantly position Western Australia in terms of battery minerals and supporting what is happening in the energy space. As it applies to my community, I know that the development commission, the mine and the state government are working through the pros and cons of having a rail solution for transporting the lithium spodumene from the mine to the Bunbury port, Kemerton or Kwinana. If that can fly, I think it is important that it gets the best attention, which it deserves. I hope it does fly. I know it will be challenging, but I hope that concept can get off the ground. I have one criticism. Although a significant amount of construction is going ahead on the mine—it is a substantial project—there is a work camp in the Greenbushes industrial area, across the other side of the highway, to support a workforce for the construction part of the mine. I support that. People know the National Party's position on work camps near regional communities; that is on the public record. In this case I support it, but I have heard whispers that it may be considered as a solution for holding an operations workforce after the construction of the mine, and I am vehemently opposed to that. Work needs to be done now, which the shires are doing. They are trying to engage to look for accommodation solutions as far away as Pemberton, and bus services that might be there. There are also Manjimup, Nannup, Boyup Brook, Donnybrook and even Bunbury as potential workforce solutions.

Mr Mark McGowan; Deputy Speaker; Mr Ian Blayney; Mr Peter Rundle; Mr Vincent Catania; Mr Paul Papalia;
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Mr M.P. Murray: And Collie.

Mr D.T. REDMAN: And Collie, for that matter.

MS L. METTAM (Vasse) [9.12 pm]: I would also like to contribute to the debate on the Premier's Statement. I will focus on tourism and, in particular, the Labor government's broken promise—the promise it broke to the Western Australian people. In the lead-up to the election, the McGowan Labor opposition, now government, promised to diversify the state's economy and create new jobs for Western Australians by ensuring tourism would be prioritised in everything it did. That is a quote taken from the then Leader of the Opposition, Mark McGowan. Now he is Premier, it is quite clear that that was an election commitment that has been broken. It just has not happened. Tourism has certainly not been prioritised under this government. The tourism portfolio has been merged into a megadepartment. It is a junior portfolio undertaken by a junior minister. The Northern Territory also has this junior status for its tourism portfolio. The Northern Territory shares the burden of being a state going behind in tourism growth.

Mr V.A. Catania: It should be a senior portfolio.

Ms L. METTAM: It should be a senior portfolio and it should be growing like tourism is across the rest of Australia. We have also seen funding decreased in real terms, after inflation, in the last two budgets, and it will decline in real terms going forward by about 2.4 per cent against the consumer price index. We have seen cuts to funding as well—cuts to Aboriginal tourism, regional visitor centres and regional caravanning and camping. We have seen the removal of incentives for international students—that very important market of people visiting friends and relatives. With the international drawcard events such as the Margaret River Pro cancelled due to safety concerns and the Hopman Cup facing the axe from the Perth events calendar, it is fair to say that the tourism industry is well and truly in dire straits under this government's watch.

When we look at the last financial year of this government and when we look at what 2017–18 brought—the tourism results of the first financial year under the McGowan government—we see a pretty bleak picture. International visitor expenditure in WA declined by \$250 million, or a drop of 10 per cent, compared with Australia-wide growth of 4.8 per cent. When compared with other markets across the country, that is a market share that has gone from 8.8 per cent to 7.5 per cent. I quote from the budget submission of the Tourism Council of Western Australia. It states —

The decline in international visitor expenditure is the most significant ever recorded in the available International Visitor Survey results. The decline is comparable with previous shocks to the tourism industry such as September 11 and the Ansett collapse. Unlike those previous shocks to Australian tourism, the 2017–18 decline was limited to Western Australia.

How damning is that of the government's performance? I will read further from this budget submission, because the council talks about the cause of the WA tourism decline. It states —

Fundamentally the decline in out-of-state visitor expenditure is due to the decline in Western Australia's international competitiveness, particularly in comparison with other States.

Previous price and supply-side barriers to tourism growth have been addressed. Significant private investment in commercial short-stay accommodation ...

It goes on —

... notably reducing room rates. More broadly, travel and hospitality prices in WA have notably declined in real terms since the mining boom while prices in other competing States have significantly increased.

The private tourism investment in accommodation has been matched by significant public investment in tourism infrastructure such as Optus Stadium and precincts such as Elizabeth Quay.

That is a submission by the tourism council underlining the concern about what a shocking set of figures we have seen under this government's watch. The statistics go on. The WA tourism sector suffered a \$181 million decrease in out-of-state, international and interstate visitor expenditure. That is a drop of 4.6 per cent, while there was growth across the country of 6.5 per cent. In 2017–18, as I mentioned before, there was a decline of \$250 million, compared with 4.8 per cent in growth. It is quite clear that the McGowan government has overseen the most significant decline ever recorded in international visitor expenditure. As I stated earlier, that is comparable with the Ansett collapse or September 11, but limited to the state of Western Australia, at a time when every other state is booming. The loss to gross state product has been calculated at \$139 million, with over 1 200 jobs lost. In fact, 1 227 jobs have been lost in the tourism portfolio over the last financial year as a result of the policies of this government. That is isolated to Western Australia. That is clearly a broken election promise of this government, a government that promised more local jobs, but has delivered a loss in tourism jobs.

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In the more recent visitor statistics of September 2018, we see some welcome increases in the number and spend of interstate visitors to WA, but as has been highlighted those gains were at the cost of international visitation. We can see where there has been a focus on interstate spend at a cost to the valuable international market. But again, when we look at the interstate figures, we see that WA is the worst-performing state, with a dismal increase in international visitors of just one per cent, comparable to Tasmania, which has had 15 per cent growth. The international visitor spend in WA for the year ending September 2018 was down \$166 million, or seven per cent, which reflects the decline in the number of visitor nights. Again, if we compare it with Tasmania, we see that it had 13 per cent and 12 per cent increases respectively in international visitor spend and the number of visitor nights. Importantly, the net impact of the last set of figures from September 2018 illustrates that visitor expenditure from the international and interstate markets represents about a \$53 million loss to the Western Australian economy. So much for diversifying the economy and growing Western Australian tourism and jobs! I note the Premier's tweet that was sent out today during the Premier's speech about the priorities for the government this coming year, and the absence of "tourism and jobs" from the Premier's language.

The McGowan government has been spruiking the increases in interstate visitors and interstate spend. Whilst these increases are very welcome, as I stated earlier, it has been at the cost of international visitors. It is quite obvious that had it not been for the new Optus Stadium, which Labor opposed and said was too expensive and in the wrong location, these figures would have been worse. Since the McGowan government came to office, we have seen a steady flow of negative tourism numbers. I find it very disappointing that instead of looking at the policies, this government has a habit of blaming people. We have seen the loss of the CEO of Tourism WA, Gwyn Dolphin, a man with great experience in the events industry, who had secured many of the events at Optus Stadium, including the upcoming National Rugby League State of Origin and the Bledisloe Cup. We have also seen Stephen Wood and Rob Delane dumped. Stephen Wood had the impossible task of trying to oversee the Department of Jobs, Tourism, Science and Innovation when his background is clearly in state development. Along the way, we have seen a loss of wealth and experience and it has been destabilising for those within the now megadepartment and for those individuals working in tourism.

After repeated calls from the industry to have a standalone agency—I am very pleased that the Liberal opposition is committed to having a standalone agency going forward—there has been a bit of a backflip or a new appreciation of this issue because as of September last year, a dedicated managing director has been appointed to Tourism WA, which is welcome. However, Brodie Carr reports to five different ministers. I have spoken to people who have been seeking the outcome of funding applications and they are in discussion with five different ministers on valuable funding in that area that is unique to tourism. It is great to see that Brodie Carr has the position and I wish him well. I understand that he has an understanding of at least surfing events and great knowledge of the tourism industry. I wish him the best going forward.

A great illustration of the machinery-of-government changes and what they mean is what happened to Tourism WA's advertising and marketing tender when it was finally released. I understand that last year it was delayed six times and it was three months behind schedule, which is illustrative of the heavy and complex bureaucratic issues happening within that department. Quite clearly, the individuals there have the experience, but they are compromised by a bureaucracy that has not worked in any other state that has tried it, as I have already stated.

We have talked about the reduction in overall tourism spend that has happened under this government's watch. Labor provided \$85 million for marketing events through its tourism commitment, but this resulted in funds being cut from royalties for regions, valuable Aboriginal tourism, visitor centres and regional caravanning and camping. We see the outcome of that when we look at visitor statistics and visitors coming to Western Australia not spending as much. That has a significant impact on our small businesses that rely on the valuable tourism dollar. Aboriginal tourism has also been hurt under this government. It brings in \$43 million and provides about 339 full-time jobs a year. I note that 78 per cent of international visitors, those who have been lost to other states, would like an Aboriginal tourism experience, but that has clearly been lost by this government.

I have talked in this place before about the changes to international education. It has come at a cost. The 12 per cent plunge in international student commencements has resulted in \$52 million in economic benefits being removed from WA. When reflecting on the so-called jobs policy of this government, we know that for every three international students visiting Western Australia and studying here, one job is created. Again, that underlines the concern and the government's lack of understanding in this area. Every other state is capitalising on a \$20 billion international student industry while the WA government has killed it through the so-called jobs policy that was announced here straight after the election.

It was interesting to read the Treasurer's opinion piece in *The West Australian* today. He was quick to blame the former Liberal-National government, yet in the tourism space, as I have previously pointed out, most of the positives have come from tourism infrastructure invested in by the former government. The Tourism Council was

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quick to point out that tourism infrastructure as a great strength, as I referred to earlier. Evan Hall and the Tourism Council say that there are no longer great barriers to the Western Australian tourism decline because of the investment in Elizabeth Quay and Optus Stadium.

[Member's time extended.]

Ms L. METTAM: I refer to WA Labor in opposition and the comments that were made about such projects. In an ABC online article of 15 April 2018, on the subject of the Transforming Perth initiative, the now Premier stated —

“My opponent [then-premier Colin Barnett] talks about ‘transforming’ the city.

...

Do you transform a city by building monuments and vanity projects?”

The now Minister for Corrective Services spoke about Elizabeth Quay in a PerthNow article of 18 February 2016. He said that it was —

... lacking in “architectural merit” and “class”.

...

“It is trashy architecture that is not good public infrastructure ...

...

Mr Logan told radio he believed the site could have been better designed and the current structure looked “like we’ve done it on the cheap”.

That was WA Labor’s approach to this valuable tourism infrastructure. Thankfully, we did not take any notice of it in respect of those valuable pieces of tourism infrastructure when we were in office. I am sure that the current Minister for Tourism is also very pleased that these projects continued because we would be looking at a significantly more dire set of tourism statistics had that not been the case.

I refer to a recent article by Andrew Burrell in *The Australian* about Optus Stadium. It states —

Perth’s \$1.6 billion Optus Stadium—derided by many as a waste of money—is proving to be an economic champion for Western Australia, with predictions the venue will this year help the city steal Melbourne’s crown as the nation’s sporting capital.

In its first year, 122 000 regional, interstate and international visitors have booked tickets to this so-called vanity project. There were 66 000 people, spending almost \$66 million, travelling to watch the football there last season, and two Ed Sheeran concerts in March 2018 attracted approximately 7 000 international and interstate tourists.

Looking forward, with respect to major events, it is very important that we continue to invest in and support events going forward. I cannot help but point to the Margaret River Pro; I hope it has the Minister for Tourism and the Minister for Fisheries’ support this year, in terms of how shark risk is managed.

With regard to the Hopman Cup, for 31 years Perth has been promoted to a global tennis audience. There were some real highs at this year’s event, attracting a record crowd of more than 14 000 people. When asked about the event on the radio on 14 January, our Minister for Tourism said he was a great supporter of the Hopman Cup, but did not go as far as saying he would do anything about its future going forward—only that it would be retained. He stated that the department was engaged in the process of retaining the Hopman Cup, but it raises the question of why the Minister for Tourism is not engaged in ensuring that this event continues into the future.

More than 238 000 visitors are spectators for an event or a festival, and it is particularly important for tourism, because tourism agencies have the opportunity to market such events. This year the Hopman Cup included the match between Serena Williams and Roger Federer, which attracted global news, with major broadcasters interrupting an American football broadcast to promote Perth as part of this event. I would hope that, like with the Margaret River Pro and other events, the government will do everything it can to retain this important event. It is an event that is unique to Western Australia and Perth and has so much support within the tennis and broader communities, and is synonymous with summer here in Western Australia. It is something that is very important to many Western Australians. I appreciate that while it is important that the ATP—Association of Tennis Professionals—event is attracted to Perth and that it is essential that Perth is in the mix of the qualifying men’s teams tournament, it is an opportunity lost if we lose the chance to showcase tournament winners in our capital.

With regard to Rottnest Island, the number one priority of someone managing tourism assets is to ensure that visitors return home safely, so it was particularly disappointing when we saw the collapse of the Army jetty at Rottnest in October last year. That represented a significant infrastructure failure at what is supposed to be the

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jewel in the crown of our tourism offerings in Western Australia. The Rottneet Island Authority utilised KPMG to conduct a comprehensive investigation into the collapse. The report is more than three months overdue. I understand *The West Australian* sought information on the report through a freedom of information request in November 2018, but no information was forthcoming. That, again, touches on concerns about the government and its lack of transparency.

I congratulate the McGowan government for securing direct flights from Perth to Tokyo, which adds to the direct Perth-to-London route that was secured by the former Liberal government. I might add that the then shadow tourism minister referred to that as a dud deal, but it has been very successful. I hope that this welcome announcement will turn around the state of our international visitor market. It is disappointing that Emirates is to suspend one of its two daily flights from Perth to Dubai; only a few months ago we heard the news about Etihad withdrawing its flights from Perth as well.

This came at a time when the government and the Minister for Fisheries were threatening the future of the rock lobster industry in Western Australia. Many members may not be aware, but the rock lobster industry plays a significant role in some of the direct flights between Perth and China. In fact, China Southern Airlines' direct flights to Perth from Guangzhou were in large part underwritten by rock lobster exports. About 15 tonnes of rock lobster leaves Perth for China every day on China Southern flights. I understand that Geraldton Fishermen's Co-operative Ltd has also been liaising with the state government, Perth Airport and major Chinese airlines, such as China Eastern, to help the government in its effort to secure direct flights into Shanghai as well. It is understood that the airfreight paid by the lobster industry is a key component in making these routes economical for airlines. The lobster industry already plays a part in the tourism dollar in Western Australia and it was recommended by the lobster industry that a lobster festival be supported. It is good to hear that the government is now listening to the industry and is re-engaging with a sector that is so valuable to Western Australians and the tourism industry.

There is no doubt that small business is doing it tough under this government. Cuts to discretionary spending are hurting small businesses, which are our biggest employers. The \$700 cut to the household budget has seen housing starts drop and water and power prices soar, while we have a 6.3 per cent unemployment rate, one of the highest in the nation. According to a census report of September last year, our small business sector is the least confident in the nation. This is another broken promise. More Western Australians are now unemployed than when the Labor Party came to government on a platform of creating jobs.

I will touch on a local issue relating to the People Place, formerly known as the Busselton Family Centre. It has been operating for 25 years. I wish to refer to the way that its future has been handled under this government through decisions made under the so-called Empowering Communities program. I will refer to an article in the local paper. Basically, the chair of the centre said that it was given three months to complete its tenure and either carry on alone without funding or close. Tony Robinson stated —

“What happened next was nothing short of bizarre”, ...

“Just three hours after the announcement we received an email stating the government had directed that existing Community Neighbourhood Development Services ... service providers ... in the Empowering Communities process ...

This would enable the program to continue operating until 2020. In a letter from the Minister for Community Services, she stated that she believed the region would be well served through support for the community centre's funding for two centres in Bunbury, Bridgetown, Northcliffe and Manjimup. She was confident that these organisations would provide the services required to meet the needs of families and communities within the south west region. Apparently, geography was not tendered as part of the tender process. That means that groups such as those seeking postnatal depression support, the South West Autism Network and over 3 000 different services will have to travel to Bunbury.

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