

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**APPROPRIATION (CONSOLIDATED ACCOUNT) RECURRENT 2009-10 BILL 2009**  
**APPROPRIATION (CONSOLIDATED ACCOUNT) CAPITAL 2009-10 BILL 2009**

*Declaration as Urgent — Motion*

**MR T.R. BUSWELL (Vasse — Treasurer)** [3.22 pm]: I move —

That, in accordance with standing order 168(2), the Appropriation (Consolidated Account) Recurrent 2009-10 Bill 2009 and the Appropriation (Consolidated Account) Capital 2009-10 Bill 2009 be considered urgent bills.

**MR M. McGOWAN (Rockingham)** [3.22 pm]: I understand that the government will probably seek leave to treat these two bills cognately. The opposition has no objection to these two bills being treated as urgent bills. That has been the historic practice in relation to both appropriation bills, so the opposition is agreeable to that part of what the Treasurer is proposing.

Question put and passed.

*Cognate Debate*

**MR T.R. BUSWELL (Vasse — Treasurer)** [3.23 pm]: In accordance with standing order 169, I seek leave for the Appropriation (Consolidated Account) Recurrent 2009-10 Bill 2009 and the Appropriation (Consolidated Account) Capital 2009-10 Bill 2009 to be considered cognately, and for the Appropriation (Consolidated Account) Recurrent 2009-10 Bill 2009 to be the principal bill. As a brief comment in support, it is my understanding that, as the manager of opposition business indicated, it is the practice in this place for both the capital and the recurrent bills to be dealt with cognately, and we seek the support of the opposition.

**MR M. McGOWAN (Rockingham)** [3.24 pm]: In agreeing to what the Treasurer is seeking, I will say a couple of words. The government has indicated that it wants to deal with the Appropriation (Consolidated Account) Recurrent 2009-10 Bill 2009 and the Appropriation (Consolidated Account) Capital 2009-10 Bill 2009. That has been the historic practice. Naturally we would not want to deviate from that practice, because dealing with the budget in an appropriate time frame is the appropriate way to go.

The letter I received from the Leader of the House last Friday—a copy of it was on my desk in the house this morning—indicated that the government wanted to deal with both the appropriation bills and the Loan Bill not only urgently but also in a cognate debate. That was something that the opposition objected to, and I advised the government last week of that. However, I received a letter indicating that the government would proceed—I expect it would have used its numbers to force through a single debate on those three pieces of legislation. Fortunately, reason has prevailed and the Loan Bill will be debated separately. Naturally, we wanted it to be a separate debate, simply because of the extraordinary level of debt that this government is —

**The SPEAKER:** The member would realise that this is an opportunity to speak to this motion and is not a general debate. The member for Rockingham has my indulgence to this point.

**Mr M. McGOWAN:** Thank you, Mr Speaker.

Therefore, the opposition would not have agreed to that on the basis that we want to delve into the extraordinary level of debt that this government is accumulating. However, we do agree to both appropriation bills being dealt with as a single, cognate debate.

I ask that in future, if the Leader of the House is to send me letters of this nature and then adopt a different stance in this house, perhaps when he sends a letter he gets it right; alternatively —

**The SPEAKER:** Member for Rockingham, this is not an opportunity to introduce any other material; it is simply a debate on whether we are going to agree to this procedure.

**Mr M. McGOWAN:** — he could advise us in advance. However, we agree to this motion.

Leave granted.

*Second Reading — Cognate Debate*

Resumed from 14 May.

**MR E.S. RIPPER (Belmont — Leader of the Opposition)** [3.26 pm]: The budget is the closest thing to a state-of-the-state address for Western Australia.

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**Mr R.F. Johnson:** Is the Leader of the Opposition the lead speaker or is it the shadow Treasurer? Who is the lead speaker, please?

**Mr E.S. RIPPER:** I am the lead speaker.

**The SPEAKER:** Thank you, Leader of the Opposition.

Several members interjected.

**The SPEAKER:** Other members might wish to remain silent, just for a few moments.

**Mr E.S. RIPPER:** The budget should reveal exactly where the government sees the state of Western Australia now and the government's plan for the future. This budget reveals the worst financial and economic position in Western Australia in a decade—the worst financial and economic position since the Premier was last a member of a budget subcommittee of cabinet!

What does this budget show about where we are going as a state? What does this budget show about where the Barnett government is taking Western Australia? Here is a short answer: recession, job losses, deficits and debt. For Western Australians we see a huge slug in household fees and charges, curtailed services because of arbitrary expense growth targets for the future and cancelled projects; and for the 100 000 people who work in the public sector we see limited wage increases to deal with those extra costs and charges.

Of course, the government will cite the global financial crisis—no-one on this side is arguing that the government caused the recession—but the government will be judged by how it has dealt with the circumstances that confront it. The government will be judged by what regard it has had for the needs of Western Australians and Western Australian families as it deals with the impacts—as they deal with the impacts—of the global financial crisis.

Let us go into a little more detail about the sorry, dismal picture that this budget paints. Next year: recession, and the first year that we have seen a decline in the size of the state's economy since the Premier was the minister for state development in the year 2000-01. The size of the economy will decline by 1.25 per cent during the next financial year, followed by a 0.5 per cent decline in the following year. The budget forecasts two years of negative growth. Joblessness is also to rise, and the unemployment rate is to peak at 6.75 per cent and still be at six per cent three years ahead. This is what the government is telling the community is the picture in Western Australia. The rate of population growth will be cut by 40 per cent from the rate in the previous financial year. Business investment will be falling for two years and then stagnant in the years after that. There is no relief in sight on the business investment front. It is a very important front, because the entire boom was driven by massive private sector business investment. It was more than \$150 billion on our watch. Now it is falling, and even after it stops falling it will not rebound but be stagnant, according to Treasury finances.

Where are we headed with the budget, according to the government papers? Two deficits out of four are where we are headed. The previous coalition government, of which the Premier was a member of the budget committee, delivered five budget deficits out of eight. I suppose that two out of four is a slightly better average than five out of eight, but that is where the government is going. There will be budget deficits in years three and four of the forward estimates of \$513 million and \$458 million. That follows a year that looks as though it is in surplus because the government has a figure of \$23 million as the surplus, but as anyone with any experience in budgeting matters would know, it is an extremely risky number on which to plan. I think therefore that we are looking at three budget deficits out of four by the time we get to the next financial year after the forthcoming one.

I listened to the Treasurer attempt to paint some sort of difference between the shadow Treasurer and me on the question of debt. There is no difference at all. What we agree on is that it is absolutely outrageous to borrow to pay for public sector wages, for petrol in police cars and for the electricity bills of government agencies, but that is what the government plans to do in this budget and set of forward estimates. The government is planning to borrow \$513 million in year three to meet the cost of wages, petrol, electricity and other recurrent costs. It is planning to borrow \$458 million the following year. That is the sort of debt that we object to. It is financially irresponsible debt. It is immoral and unfair debt, because it means that the government is proposing to borrow from our children to meet the costs of public service wages in today's circumstances and to meet the costs of services for the current generation. That is wrong.

What is the Premier's defence to that? The Premier's defence is that things will change, that it will not be as the professional advisors have told us and that we should trust him. The Premier wants us to believe apparently that only good things can happen to a budget. I have been Treasurer and I know the sorts of pressures that come to bear on budgets. I can assure the Premier that many things happen to budgets, including many negative things.

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Although the Premier takes a Pollyanna-like optimistic view of how things will turn around so that his plan to borrow for public sector wages will not be needed, I say to him that there is so much risk in this budget and so many negative things that can happen to budgets anyway, it could be much, much worse than the government is currently forecasting. When that happens, the community needs to bear another thing in mind. A desperate government losing control of the finances can do bad things to family living standards. That is what we will see if the Premier's optimism is confounded by the outcome of professional Treasury advice on what the future really holds for us.

The bottom line is that all the chatter about the budget in the end financially boils down to one figure; that is, where is net state debt going. Net state debt is going to \$19.1 billion. If people want one figure that summarises and explains what this budget and all the different financial and economic movements are about, it is the debt figure of \$19.1 billion. When we left office the last financial year for which we were responsible was 2007-08. The debt at the end of that year was a drop over \$3.6 billion. This government's plan is to take that debt from \$3.6 billion to \$19.1 billion—a 430 per cent increase in state debt. One would think that with these two deficits out of four, a third threatened and a 430 per cent increase in state debt, there must be a reduction in revenue. Surely, that must be what has caused the issue. The answer is no, because in every year mentioned in the budget papers there is an increase in revenue. However, this government proposes two deficits and a 430 per cent increase in debt. That is the full horror. Revenue grows but deficits emerge and debt skyrockets. That is the financial story of the budget.

It is even worse than the papers themselves portray, because the truth is that debt has been significantly underestimated because the government is committed to unfunded projects that it cannot back off from. They include the Northbridge link, the Oakajee port development and the Midland hospital. The government has made such strong political statements, and engaged the commonwealth in support for those projects in such a way, that it cannot back off from the Northbridge link, the Oakajee port development and the Midland hospital.

**Mr C.J. Barnett:** We have no intention to.

**Mr E.S. RIPPER:** The Premier confirms that the government has no intention of backing off from them. Therefore, we must add the cost of the state contribution to those projects to the debt. The debt already creeps up from \$19.1 billion less than a week after the budget. That is important for Western Australian families, because with a debt at \$20 billion and beyond, which is where this budget and forward estimates are going, the interest payments amount to \$1 billion a year. When interest payments reach \$1 billion a year, they are three times the child protection budget or more than the entire budget for the police service. Members should think about that. It is dead money paid in interest, which is more than the police budget and three times the size of the child protection budget.

**Mr C.J. Barnett:** Did it ever happen under Labor?

**Mr E.S. RIPPER:** That is the Premier's plan; that is what he is proposing, that is what he presented to us in his state-of-the-state remarks and that is where he thinks the state should go. He says that it should be \$20 billion-plus in debt with \$1 billion in dead interest payments. That will have its impact on household fees and charges in all sorts of slugs and curtailed services impacting on Western Australian families.

However, that is not the end of the underestimation of debt. Members looking at the Western Power capital works program know how important it is to keep the electricity on and how seriously the community regards the possibility of electricity blackouts and the negative health, social and economic effects if the electricity network is allowed to decline. That is what this government will do; it will restrict investment on the electricity network. It is a back to the 1990s policy, when the current Premier was the Minister for Energy, and when he put money into generation to preserve the monopoly position of the government generator while at the same time starving the network—underinvesting in the network—which led to weaker and weaker conditions on the network of 80 000 kilometres of electricity lines with, ultimately, very bad consequences for the people of Western Australia. That was the inheritance that the previous government's capital works program really had to deal with. We had to put billions of dollars into the electricity network, and now we find that the government is starving Western Power once again. It is back to the 1990s: spend money on generation, make all sorts of statements that will compromise the possibility of private sector involvement in generation, speculate about Synergy and Verve amalgamations, allow the privatisation genie out of the bottle and do all sorts of things to create uncertainty for the private sector. The ultimate consequence is that if the government does that, it will have to invest taxpayers' funds in generation, and since it can only devote so much from the government's scarce capital resources to the electricity network to prop up the electricity system, then the network will be starved. The government is at it again; it is starving the network and there will be consequences, but not immediately. The really sad fact is that

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those consequences might become apparent only after an election when a subsequent government has to deal with the botched inheritance of this government's lack of support for Western Power's capital works program.

I turn to the bus replacement program, which has an amazing set of figures—an unsustainable set of figures. The bus replacement program has a total estimated cost of \$465 million and the estimated expenditure to 30 June 2009 is \$338 million. It also has this expenditure: in 2009-10, \$49 million; in 2010-11, \$47 million; in 2011-12, an absolutely unbelievable amount of expenditure, \$4.1 million; and then \$4.2 million.

**Ms A.J.G. MacTiernan:** I think it is sort of “let them walk”; it is the government's anti-obesity strategy.

**Mr E.S. RIPPER:** Member for Armadale, as a former minister responsible for the public transport system, is a bus replacement program in the forward estimates of only \$4 million in two succeeding years at all sustainable? Is that in any way consistent?

**Ms A.J.G. MacTiernan:** It is two or three buses.

**Mr E.S. RIPPER:** Is it in any way consistent with a sustainable public transport system? No. That is not credible. That will have to be fixed up. In subsequent budgets, the government will have to tip more money into that program. That is what I mean about the debt being seriously underestimated. The government cannot just take out money for the bus replacement program and pretend it has managed that in that way. There are political, service and operational realities involved that mean the government will have to find that money, and that means that the debt has been underestimated. However, that is not the only reason that the debt has been underestimated. The unfunded, uncounted and uncosted projects that will have to be done, but have been left out of the budget, are also part of the reason that the debt is underestimated. However, there is another reason—that is, risky assumptions. Our budget is very, very sensitive to the value of the Australian dollar against the American dollar. The reason for that is our commodities tend to be sold in US dollars and royalties tend to be paid on the US dollar price and then translated into Australian dollars. The value of the Australian dollar, assumed for the purposes of this budget, was 68.5c. I assume that the same formula used in the past has also been used. The six-week average in the run-up —

**Mr T.R. Buswell:** It is 10.

**Mr E.S. RIPPER:** It was a 10-week average; it was the 10-week average in the run-up to the budget close-off date. That is a —

**Mr T.R. Buswell:** I believe it is 10.

**Mr B.S. Wyatt:** It is normally six.

**Mr T.R. Buswell:** Whatever it is.

**Mr E.S. RIPPER:** So, the Treasurer cannot say. My recollection is it was the six-week average in the run-up to the budget. The Treasurer is not sure but he thinks it was the 10-week average. Nevertheless, there is a problem; that is, on the day the budget was delivered, the value of the Australian dollar was 75.2c. Checking *The Australian Financial Review* today, it was pretty much at that point. Therefore, that difference alone takes \$360 million out of the state's finances for 2009-10 on the assumption that that value of the Australian dollar on budget day, and that value today, will be the average value through the financial year. It may be that the value will not average 75.2c over the financial year; it may be that the Australian dollar will drop. However, members can see whatever the outcome, and I am not predicting the outcome, there is a huge risk to the scenario that the government has put before us. If the government takes \$360 million out this year, and takes equivalent amounts out in succeeding financial years, all that will be added to the debt. Already we have shown that the debt will exceed \$20 billion, and then the government makes a risky assumption like that.

My view is that health, education and public safety should be at the centre of every budget. Why does the public of Western Australia elect the state government, and what does it expect from the state government? A fundamental thing it expects from the state government is quality services in health, education and public safety. It expects other things but health, education and law and order are the priorities and the fundamental reason that a government is elected. Those are the fundamental responsibilities of any government and they should be at the centre of the budget. However, they are not at the heart of this budget. This government is very disappointing when it comes to health, education and law and order.

Let us look at health policies. There was a really serious issue that the Minister for Health simply could not deal with during question time. I will read what was apparently a surprise to the health minister from the *Economic and Fiscal Outlook*, which states —

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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The Government's decision to retain Royal Perth Hospital (RPH) as a tertiary hospital and major trauma facility will result in significant recurrent cost implications for the health system. Prior to this decision, it was intended to close RPH as a tertiary facility and transfer associated expenditures to fund the new Fiona Stanley Hospital. The health system will incur significant operating costs in 2013-14 from operating the 400-bed RPH trauma facility and the commissioning of the new 643-bed Fiona Stanley Hospital. These costs are yet to be determined or considered by Government.

This is one year outside the forward estimates and the government has no idea how it will fund the cost of those extra 400 tertiary hospital beds and the operating costs year after year of running those 400 hospital beds.

**Mr R.H. Cook:** It has not even thought about it!

**Mr E.S. RIPPER:** It has not even thought about it. It has not been considered by the government. It has not been determined by the government.

**Mr T.R. Buswell:** What is not happening at QE II?

**Mr E.S. RIPPER:** If that risk statement is wrong, the Treasurer should come into this place and say that Treasury got it wrong. He should say that that paragraph in budget paper No 3, which warns the Parliament of this risk, is not an adequate explanation of what is actually happening. I raise this matter with regard to state debt. Next year's budget will need to take into account, for the first time, the costs of the dual operation of Royal Perth Hospital and Fiona Stanley Hospital. That will need to be part of the forward estimates in next year's budget. In next year's budget, the state debt figure will need to take into account the operating costs for one year of an extra 400 tertiary hospital beds. The budget for the following year will need to take into account the operating costs for two years of an extra 400 tertiary beds, and the budget for the following year will need to take into account the operating costs for three years of an extra 400 tertiary hospital beds. Every year, that cost will effectively be added to the state debt. Under this scenario, there will be financial and operating chaos in the health system within five years. That is all because this government has made an unsustainable, un-costed and unfunded health decision without taking into account the financial consequences of that decision.

Another very disturbing feature of this government's health budget is the \$400 million cut to health capital works. That is not what we would have expected from the pre-election rhetoric of this government. The pre-election rhetoric of this government was all about saying, "We will do everything that Labor will do, but we will do it quicker and sooner." The government did not tell the people of Western Australia that there would be a \$400 million cut to Labor's health capital works program. What the government has cut is bad from not only a financial perspective, but also a health reform perspective. The government has cut a \$200 million diagnostic and treatment facility at Sir Charles Gairdner Hospital. The purpose of that facility was to provide ambulatory care. Ambulatory care takes the pressure off tertiary hospitals. It is less expensive to provide ambulatory care than it is to admit patients to a tertiary hospital. The government is planning to cut the diagnostic and treatment facility at Sir Charles Gairdner Hospital—a very efficient and effective service—and instead provide an extra 400 tertiary beds at Royal Perth Hospital. That is a crazy plan. No health expert in the world would recommend that course of action. At a time when health expenses are escalating, and when health costs are becoming increasingly difficult to manage for every Western government—for every government in the advanced world—this government is taking a backward step and is planning to cancel a project that will provide more effective and efficient treatment. The government has made this unsustainable, un-costed and unfunded decision to increase the number of tertiary hospital beds for purely political reasons.

**Mr C.J. Barnett:** So are you against Royal Perth Hospital?

**Mr E.S. RIPPER:** I am in favour of retaining services at Royal Perth Hospital, but I am not in favour of an extra 400 unfunded tertiary hospital beds that are likely to produce chaos in the health system.

The government has also cancelled the redevelopment of Osborne Park general hospital. That is also wrong from a health reform perspective. What we need to do in this state is build up the general hospitals and treat as many patients as possible in those general hospitals, because the cost of treatment per patient in a general hospital is significantly less than the cost of treatment per patient in a tertiary hospital. It is a very bad move from a health reform and health services sustainability perspective to cancel the redevelopment of our general hospitals. This decision is particularly galling because it involves the cancellation of the mental health beds that had been proposed at that hospital. Despite the rhetoric and pious statements from members opposite about the need for a greater commitment to mental health, the first thing they have done in government is cut a mental health redevelopment! That is the type of cynicism that we have been dealing with in the health system.

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That is not the only negative health decision that this government has made for communities across the state. The Harvey Hospital redevelopment has been completely cut from the budget. The ward 5A upgrade at Princess Margaret Hospital for Children has been cut. A \$50 million cut has been made to Fiona Stanley Hospital. The government has boasted about how construction is commencing on Fiona Stanley Hospital. It should not be forgotten that Fiona Stanley Hospital was funded from the budget surpluses that Labor delivered during its time in government. We put money from those surpluses into a dedicated account to fund the Fiona Stanley Hospital construction. It should not be forgotten that that hospital will be funded from the proceeds of the boom as delivered by Labor, as managed by Labor and as set aside for the future by Labor—while this government simply runs up the debt to \$19.1 million, to \$20 billion, and beyond.

This government has also made a decision to delay the redevelopment of Albany Regional Hospital until 2010-11. The then opposition made an election promise that construction of that hospital would be completed by 2012. Given the political capital that the then opposition made out of its announcement that it would speed up the redevelopment of that hospital, this decision is blatantly dishonest. It is the sort of decision that breeds cynicism and destroys the community's faith in government.

**Dr K.D. Hames** interjected.

**Mr E.S. RIPPER:** The government is not honouring its promise. Whatever the government may say it is doing, that is not its promise. That is the point I am making.

I turn now to what is happening in education. The government made a ridiculously inadequate promise to build 14 new schools over a six-year period. Taking into account what the government found in the forward estimates, it is now boasting that it will fund 32 new or upgraded schools over the next six years.

**Mr T.R. Buswell:** Fantastic!

**Mr E.S. RIPPER:** Fantastic, says the Treasurer! What we need to do is measure that commitment against what has been done over the past seven and a half years. The truth of that statement made by the Treasurer in the budget is revealed when we look at Labor's record. Labor built 60 new or replacement schools over seven and a half years. Another 25 new or replacement schools were under way at the time of the election. That was the largest school building program in the history of this state. What the government is proposing is totally inadequate. It will not meet the demand. Families in outer suburb after outer suburb will be disadvantaged when their promised new school does not arrive.

**Mr T.R. Buswell:** Which ones?

**Mr E.S. RIPPER:** We will not know which suburbs will be disadvantaged until the growth occurs and the inadequacy of the government's commitment is revealed. However, we do know that families will not be getting the new schools that they thought they would be getting, because this government has not made the commitment that it should have made. This government has not made the commitment that the previous government made to a new school building program. Whatever the government might think about the numbers, the numbers are woefully inadequate compared with Labor's record and with the need that will emerge. The need that will emerge was demonstrated by the Director General of Education in her testimony before the Estimates and Financial Operations Committee of the upper house. The government has boasted about additional funding of \$419 million to education, yet \$322 million of that additional funding comes from the commonwealth government. It is just one way in which an absolutely dreadful and woeful state budget has been rescued in part by commitments from the federal government. I am sure the Minister for Education will go out and, in my view dishonestly, pretend that the Barnett government is taking all sorts of initiatives; just as she did with the school maintenance program with the member for Riverton. She dishonestly claimed credit for federal government spending on schools by appearing on TV on a Sunday night waving documents around as though it was a Barnett government program.

I support and value the commonwealth's commitment to Western Australia. Thank heavens for the Rudd Labor government. Without its commitments to health, education and infrastructure, we would have an absolutely dreadful level of service provision and infrastructure provision in this state. Alert members will have noticed that the \$322 million from the commonwealth did not fully cover the \$419 million of additional funds claimed. The additional money comes from already known and already claimed wage increases. We are not getting any state commitment to improve services or any additional physical or human resources into the system as a result of state commitment. We are simply paying more, as we need to from time to time, for the services already provided. The only additional money for service improvement comes from the commonwealth.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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We go to the budget for law and order. There is a big claim from the government that the police budget is up 3.6 per cent. The only problem for the government is that expenses across the budget grew by 6.6 per cent. The police budget grew at markedly less than the average growth of expense across the budget. We had a number of broken promises—the most outrageous was the dilution of the promise to provide 500 extra police officers. I have been struggling to discover what an “auxiliary police officer” is. I cannot find any definition of an auxiliary police officer. An auxiliary police officer seems to be the police officer we get when the Barnett government is breaking a promise. That is a promise that the public would have taken very seriously. It is another one of those occasions on which Labor made a promise and the then Leader of the Opposition, now the Premier, said, “We will match that.” Then, when the Liberal Party got in to government, on the back of people thinking that they could have a change without losing anything, prompted by the then Leader of the Opposition, now the Premier, we get these broken promises. It is what happened with the Ellenbrook railway line and what has now happened with the police promise. We have had significant debate back and forth on a related issue, road safety, between the shadow Minister for Police and the Minister for Police —

**Mr C.J. Barnett:** Do members opposite know the remarkable thing about our budget? It delivers virtually all of our election commitments in the first year.

**Mr E.S. RIPPER:** One of the things that we will do on this side during the budget debate is forensically go through the election promises made, portfolio by portfolio and electorate by electorate. We will do that during this second reading debate and we will do it during estimates. We will show broken promise after broken promise, dishonest statement after dishonest statement and risk after risk to the expectations and to the living standards of the people of Western Australia.

I come to the Towards Zero road safety strategy. The budget provides no funding for that strategy except for the extra effort to fine motorists who speed and break traffic laws. The government’s great road safety initiative is a huge grab for additional revenue from more effective and efficient speed camera operations. That is its road safety strategy.

**Mr T.R. Buswell:** Do you support that or not?

**Mr E.S. RIPPER:** I do not support not funding the road safety strategy, given the statements of the Minister for Police about the commitment. The Minister for Police is all bluff and bluster, and another word beginning with “b”, when he talks about things. He is all talk and no action. When we finally get to the bottom of his statements and the actual delivery, we see that the strategy is just not up to either the government’s pre-election rhetoric or the rhetoric in the run-up to the budget.

There is another area in which the community is being seriously let down. It relates to my electorate and to a number of other electorates in the east and south east metropolitan regions. Everyone is calling for a significant upgrade to Perth Airport. An upgrade to Perth Airport will require massive investment in transport links. There will be traffic chaos in the east and south east metropolitan areas if funding is not forthcoming. The budget does not demonstrate that the government has tackled that issue. The full implications of the growth of the airport are not funded. This issue requires further analysis, but, on my analysis, the government has set aside \$7 million for a series of projects that will cost \$600 million. It set aside \$7 million for the next three years for a set of projects that will ultimately require at least \$600 million. If those projects are not funded, then the already very difficult traffic situation in and around Perth Airport will become even more difficult. That is again a risk to the budget and it is the sort of political pressure that a government cannot resist. If there is gridlock on Tonkin Highway day after day after day and nothing is done about it, the political pressure will become unbearable. We will have candidates campaigning in hills seats and we will have sitting members in hills seats putting unbearable pressure on the government. The government will have to add to the debt. Perhaps the debt will have to go to \$21 billion given the fact the government has not covered this.

We dealt with another deficiency in the infrastructure budget in the mid-west. What we have in the mid-west is an appalling situation. The much-vaunted Oakajee Port project is not funded in the budget. This is the project that the Premier says is the most important project in the state and in the nation and he does not put a cent in the budget towards it. It is not in his plan for the future. What is the credibility of his plan for the future? We compare the press statement with the budget and we find a huge yawning credibility gap between the press statement and the budget. There is more that is wrong with its approach to the mid-west. The rationale for the Oakajee Port project is the development of the mid-west iron ore industry. The iron ore industry needs a port—of course it needs a port. What is it I need to get, Premier?

**Mr C.J. Barnett:** Go and read the speech I made about it. You still do not know what Oakajee is about. You don’t get it!

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**Mr E.S. RIPPER:** I think Oakajee is about a port for the iron ore industry. I think the Premier has a broader aspiration for an industrial estate, perhaps downstream processing of minerals using the resources of that and other regions and the energy available. That is Kingstream revisited; Kingstream mark 2—that is his vision. It failed last time. He stuffed it up completely last time and now he is back on the Oakajee trail again. This time the government is seeking, and getting, federal assistance. However, I think the Premier had better be careful, because when I read the federal budget statement, I saw that the federal government commitment was subject to further analysis and consideration. To me, that means “produce a business case”. That is exactly what my colleague the member for Armadale has been saying: produce a business case. The government poured scorn on her for daring to suggest that a business case might be required for \$700 million of taxpayers’ money to be invested, and then the government was stood up by the federal government, which told it, “Yes, that is exactly what is required.” What the member for Armadale suggested would be required is what is required.

However, let me come to the rationale. The iron ore industry needs Oakajee port. The iron ore industry also needs power. The Premier says, “I don’t get it.” What I do get is this: if there is to be downstream processing to support the Premier’s grand Oakajee vision, there will be a need for even more power to the mid-west, not just for the iron ore industry, but also for the much-dreamed-about Kingstream mark 2 developments—the downstream processing. Therefore, it is completely impossible to understand why the government has failed to make a decision on power supply to the mid-west. We set aside money in the last budget. We made a decision for a new transmission line from Pinjar to Geraldton. That is a very important transmission line. It is a regional investment. It is a piece of regional infrastructure to support the iron ore industry, to support renewable energy with the development of new wind farms in the mid-west and to support the construction of power stations.

The government has come into the house and said that Western Power got it wrong. It advised the previous government that it would cost \$295 million, and now the same engineers and managers have gone to the new government and advised it that it will cost a lot more. “Welcome to government” is what I say. These are the things that happen budget after budget.

**Mr C.J. Barnett:** They did to you. They’re not going to happen to this government.

**Mr E.S. RIPPER:** They have just happened to the government. The government has a grand mid-west development; it has a grand Oakajee plan. This development needs power, and the government cannot make a decision about how to provide that power. The Premier has come into this house and said, “Maybe we shouldn’t build a transmission line. Maybe, instead, we should have a power station.” When asked by the member for Armadale the perfectly reasonable question, “When are you going to make a decision? What’s your time line for the supply of this new energy to the mid-west?” the government could not answer. This is exactly what the private sector fears. It fears the lack of certainty. It fears that it will not get the energy required in the time that it needs it to get the developments up. Already we are seeing share prices falling in those iron ore companies. The government might say that the market is wrong, but following the budget announcement, there were statements of complaint from relevant companies, and there were falls in their share prices. I do not think we are making up the argument or the difficulty. The private sector is responding.

**Mr C.J. Barnett:** That’s how you’re guided on policy, is it: share prices are low, and sometimes speculative, in mining companies? That’s your barometer for policy development, is it?

**Mr E.S. RIPPER:** I take that as a sign—one sign only—of private sector uncertainty in the wake of the government’s own uncertainty in the wake of the government’s failure to make a decision.

**Ms A.J.G. MacTiernan:** Leader of the Opposition, perhaps we should ask him whether this privately funded power station at Oakajee that he is talking about as the option is intended to be connected to the south west interconnected system.

**Mr E.S. RIPPER:** That is a good question.

**Mr C.J. Barnett:** Why didn’t you think of it?

**Ms A.J.G. MacTiernan:** Can you answer it? Is it going to be connected to the SWIS?

**Mr C.J. Barnett:** Would you think any power station would be connected to the SWIS?

**Mr E.S. RIPPER:** Is it going to be funded or supported in any way by the taxpayers? Is there going to be a soft power purchase agreement to support that power station? A lot of questions need to be answered. However, the principal argument that I want to get across to the house today is that this is a matter that should have been decided in the budget process. The government cannot just cancel the transmission line, take the money out of the forward estimates so that it has cooked the books on the debt, and then say to the community, “We don’t

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actually know how we're going to supply you power and, moreover, we don't know the time by which we're going to supply you power and, moreover, we don't know the time by which we're going to make a decision." That is letting down the mid-west region. The Premier has duded Geraldton. Meanwhile, one of the Premier's cronies, Mr Peter Oates, is likely to prosper from the decision. The Premier gets in a representative of one of the few private sector companies that might prosper from a decision not to build the transmission line and has that person as an adviser to the Minister for Energy. Geraldton gets duded while a crony prospers. That is exactly the circumstance that has happened in the mid-west.

**Mr C.J. Barnett:** That is an objectionable comment. A crony?

**Mr E.S. Ripper:** He is a crony.

**Mr C.J. Barnett:** Charming! No wonder the public service has no respect for Labor; no wonder it has no respect for you.

*Point of Order*

**Mr M. McGowan:** I would ask you, Mr Deputy Speaker, to apply the same standard that was applied when the Treasurer delivered his budget speech, which was that he was heard in silence. We abided by that convention. I ask that the Premier and the Treasurer abide by the same convention when the Leader of the Opposition is delivering his response. In addition, as you would be well aware, Mr Deputy Speaker, all interjections are disorderly.

**Mr C.J. Barnett:** The manager of opposition business is exactly right, but the difference was, of course, that when the Treasurer presented his speech, he did not attack members opposite. I was just accused of cronyism. That is the difference.

**The Deputy Speaker:** Carry on, Leader of the Opposition.

An opposition member: So you haven't made a decision?

**The Deputy Speaker:** No. Carry on.

*Debate Resumed*

**Mr E.S. Ripper:** What has happened in the mid-west with the dudding of Geraldton is only one element of the government's overall approach to regional policy. What the government has done is give with one hand and take away with the other. Therefore, there are winners and losers in an ill-conceived approach to regional expenditure. Carnarvon, Geraldton, Albany, Bunbury and Busselton have all been punished or ignored or misled. It is an amazing development from a government that promised so much to the regions. The people of those towns, Carnarvon, Geraldton, Albany, Bunbury and Busselton, must all be very disappointed when they see the yawning gap between the rhetoric of the government and the reality of the budget.

However, the worst impact has been on Western Australian families. This is a budget that has put families last. Household fees and charges are up \$334. Power charges for a representative household are up \$750 over three years. It did not have to be that way.

I was astounded to see that the Premier went to the media and said that Labor had no plan to deal with this. Remarkably for any government in a pre-election year, we laid out the full truth before the people of Western Australia. We laid out a plan to deal with it, and we put money in the finances to cover that plan. In the run-up to this budget, I had been asking what happened to the \$780 million that Labor set aside in the forward estimates to help protect Western Australian families during the transition to higher electricity prices. I found what happened to that when I looked at the budget papers. It was proudly boasted that \$550 million of the hit on Western Australians is a saving for the budget. That is exactly how the government approached that issue. It boasted about a saving, when it was actually the Treasurer's hands firmly in the pockets of Western Australian families. That is what is going on. He has put his hands in their pockets, taken out money and called it a saving. It is quite consistent with coalition history on this matter. In the eight years of the Court government, when the Premier was last on a budget committee, household fees and charges were put up beyond inflation year after year; there was a \$159 impact beyond inflation in the last five years of the Court government. In our eight years in government, the impact was \$413 below the rate of inflation. These different approaches to household fees and charges for Western Australian families add up year after year. Western Australian families will always pay more in household fees and charges under a coalition government than they will under a Labor government.

Not only has this government done the wrong thing on household fees and charges, but also there are surprise new fees. Who thought that a \$24 landfill levy fee would be imposed on every household in Western Australia? That is what is going to happen. The Treasurer's budget speech was glib on this matter. He boasted again about

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the tough decision that the government had made—a 300 per cent increase in landfill levy charges. Everyone thought, “Oh, well, poor local government.” Of course, it is not poor local government. That fee will be passed on to every Western Australian household. The last line of budget paper No 3 indicates that the charge will be \$24 per household. That is only one of a number of accountability failures in the entire budget.

**Mr T.R. Buswell:** That’s not the last line at all.

**Mr E.S. RIPPER:** It is the last line before appendix 11.

The budget does not provide a full and comprehensive picture of the state’s finances. That is the first accountability failure. The budget does not keep the government’s election promises. That is the second accountability failure. The budget is not consistent with government statements made at other times. That is the third accountability failure. We have seen that most clearly and damagingly in the Premier’s comment that no government that he leads will go into deficit, while at the same time the Treasurer has produced a budget and a set of forward estimates that has one surplus, another surplus of just \$23 million and two deficits in the \$400 million and \$500 million range. There is a huge gap between the government’s rhetoric and the reality of the budget. There is a huge gap between the understanding and public statements of other ministers and what the Treasurer has actually done. Minister after minister obviously had an unpleasant surprise when the Treasurer delivered the budget and when the ministers and their staff opened up the budget papers. On the Friday after the budget, we had the extraordinary circumstance of the Treasurer and the Minister for Health contradicting each other in consecutive press conferences. It was a budget full of unpleasant surprises for Western Australian families, but it was also a budget that had unpleasant surprises for the Treasurer’s ministerial colleagues.

There is worse to come. The forward estimates—the shadow Treasurer will outline this argument in more detail—indicate that there is a straitjacket on future expense growth in key service areas. That straitjacket on expense growth in key service areas will have two effects. First, it will seriously compromise the services available to Western Australian families. Secondly, it is completely unrealistic. It takes no account of the political or operational pressures that will be put on the government. It is another way in which the debt will go beyond \$19.1 billion. It is another risk in the budget. Beyond that, as well as suffering service cuts, because the Treasurer does not believe in services —

*Point of Order*

**Mr P.B. WATSON:** I cannot hear what the opposition leader is saying because of the continual interjecting of the Treasurer.

**The DEPUTY SPEAKER:** Will the Treasurer please desist from interjecting so that we can hear the Leader of the Opposition.

*Debate Resumed*

**Mr E.S. RIPPER:** The Treasurer does not believe in services delivered by public servants. Whenever we put in additional resources for services, he spoke disparagingly about public service jobs. He scoffed at public service jobs. He tried to create an impression that it was all about people in shiny suits and cardigans wrapping red tape around large bundles of files and passing them back and forth.

**Mr P. Papalia:** That is his view.

**Mr E.S. RIPPER:** That is his view. He is a real threat to service delivery because he does not believe in it. He scoffs at the people who do the work. He scoffs at funding the jobs of the people who deliver those services.

Western Australian families have been slugged on household fees and charges. There are new fees and charges. They will be slugged again in subsequent years. They will face service cuts and service difficulties because of the unrealistic expenses straitjacket imposed by the government. There is also a third way in which Western Australian families will suffer. A close reading of the chapters in the budget papers on the work of the economic audit team shows that the government is planning an attack on so-called transfer payments. All those payments that support families and family living standards are now under threat. The budget papers identify that the government is concerned about community service obligation payments. What do those CSO payments fund? They fund reasonable water prices in the country, the uniform electricity tariff, public transport subsidies, support for local government rates and water rates paid by pensioners and seniors, and other concessions. That is the Treasurer’s future agenda. Government backbenchers should be very, very frightened about what the Treasurer is doing. They should read budget paper No 3, see what the budget paper says about the so-called sources of expense growth, note that one of the sources is wages—the government has a new wages policy—and then note that another source to which the government devotes a considerable analysis is so-called transfer

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payments. So-called transfer payments are actually a support to families in Western Australia who are facing higher costs than are other families who are facing threats to their living standards. The budget papers specifically state that the 80 per cent subsidy for public transport is under-recognised by recipients. What does that mean? That says to me that families had better brace themselves for an attack in future budgets on all those government measures that support living standards.

It is a dreadful budget. I pose the question: where did it all go wrong? I think that the government's answer will be that we are dealing with a global financial crisis. But there is another aspect of the circumstances that needs to be examined closely. The budget horse bolted in the first six months of the government. The spending decisions that the government made in the first six months have set up an unsustainable base for future budgeting. It built up the base by 13 per cent in one financial year, and it is on that unsustainable base that it must now go forward. The budget got away from the government before it established its processes and before it established any discipline. The budget got away from the government in the run-up to Christmas and in the first six months of the government, and it is going to be extremely difficult —

**Mr T.R. Buswell:** It is three months to December!

**Mr E.S. RIPPER:** Yes; the three months prior to December and in the first six months of this government. However, the budget got away from the government during the first three months in particular and that will be extremely difficult for the government to now control. The problem is the bride price the government paid for the National Party—the expense decisions this government made, including the cost of the wedding with the National Party and the cost of the bride, are the cause of the problem with which the government is now dealing. Western Australian families will pay for that bride price. Western Australian families will pay for that spending spree in the government's first six months. They will pay with service cuts, they will pay with job losses and they will pay with debt-servicing costs. They will pay as they pay that debt-servicing bill of \$1 billion every year when the debt increases from \$19.1 billion to \$20 billion and beyond—that is the 430 per cent increase in debt that the government has forecast. Consequently, the opportunity to invest in our children's future is now gone as a result of this government's mismanagement of the circumstances that it faces.

As I conclude, I want to remind the house of the budgets that Labor brought down. We left the incoming government with the strongest financial inheritance that any government in this state has ever received. We spent years investing in the key services not only of health and education and law and order, but also of disability services and environmental protection—all the other important services. We had in place a huge infrastructure program; this government will be cutting the ribbons on our projects and the infrastructure program that we funded for years to come. Finally, we did all of that while leaving the state with the lowest state debt on record. There has never been a lower state debt since state debt was first counted than the \$3.6 million debt that we left the state. That is a magnificent inheritance for any incoming government. I am very disappointed with the way in which the government is trashing that inheritance.

**Mr T.R. Buswell:** What would you do?

**Mr E.S. RIPPER:** What we should do now is exactly the question that I want to answer. What should we do now? What should be the priorities? What should be the priorities in any budget? The priority should be to manage the budget to protect Western Australian jobs during a period of economic difficulty. There is nothing so corrosive as long-term unemployment. There is nothing so corrosive to psychological and family wellbeing, and the wellbeing of children, than to have people in unemployment for long periods. One difficulty with recessions in Western Australia is that it takes years and years for the rapid rise in unemployment to be wound back. Jobs are lost quickly and regained slowly and enormous damage is done to the wellbeing of individuals and their children during that time. Consequently, the government's first priority should be to protect jobs to protect Western Australian families.

The government's second priority should be to ensure that the ball is not dropped on training or on infrastructure because there will be an upswing and growth will return to Western Australia. When that growth returns to Western Australia, we want Western Australia well prepared to take best advantage of the opportunities that will then arise. For Western Australia to be well prepared, there will need to be trained and skilled people available to work during the period of upswing and there will need to be infrastructure in place so that Western Australia can grow without the stresses and strains of the past. It is particularly important that we do all these things so that the young people in our society are not scarred by this global financial crisis, and so that we do not have a generation of young people whose life opportunities are crippled by the financial hardship of their parents or by the loss of jobs and the resultant unemployment.

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Far from building on Labor's inheritance, far from attacking those priorities that I have just canvassed, this budget develops a new and negative paradigm. Make no mistake: this budget is the shaky foundation of a new order of financial irresponsibility and social neglect.

Several members interjected.

**MR B.S. WYATT (Victoria Park)** [4.35 pm]: That was the best response that I have ever got anywhere!

I too rise this evening to speak to the 2009-10 budget, a budget that certainly seems to reflect the somewhat inopportune comments of the Premier that he would not be planning for a deficit budget. However, this budget, prepared by and perhaps sent back to Treasury in some haste, appears to deal with a few more deficits than were in the forward estimates. At the beginning of my contribution, I want quickly to comment on the hapless performance of the Treasurer and this government in the leaky process leading up to this budget. This is the first budget of a government that did not outline a significant amount of financial strategy in the lead-up to the last election.

In May 2003, the now Premier and then Leader of the Opposition referred to leaking documents and said —

The budget should be properly presented to this Parliament.

The leaking process —

...is undermining the integrity of the budget process and the integrity of a parliamentary process that has been in place for well over 100 years.

I assume that is why no Treasury officials were sitting in the Speaker's gallery when the Treasurer gave his budget speech. The fact is that the whole process became a debacle with the Treasurer telling us how many more sleeps before the budget and refusing to answer questions before scuttling upstairs to tell the media exactly what was in the budget. That demeaned the parliamentary process and certainly undermined the work put in by Treasury officials on the very first budget of this government, which was delivered some eight months after it came to office. We have drifted for eight months without a budget, only to finally get a document that is treated with contempt. In the past eight months we have seen expenditure growth of 13 per cent, a Treasurer's Advance Authorisation Bill of \$1.2 billion and the whittling away of an operating surplus for the current financial year from the \$1.39 billion forecast in the *Pre-election Financial Projections Statements* to \$647 million.

Now I will reflect briefly on the global financial crisis, something of which we are all aware. The global financial crisis has wiped \$210 billion in tax revenue from the federal budget over the five years to June 2013, and as a result the federal government's projected net debt level will reach \$188 billion, peaking at 13.8 per cent of gross domestic product in 2013-14—albeit it will be significantly lower than the average across Organisation for Economic Cooperation and Development countries. This has resulted in a lengthy discussion about the role of state and federal governments when it comes to taking on debt to fund infrastructure. That is why both the Leader of the Opposition and I have gone to great pains to make the point that it is not proper or sustainable to use debt to fund, as the Leader of the Opposition said, pens, petrol or wages.

It is worth noting the impact of the global financial crisis and Prime Minister Rudd on Western Australia's revenue base. We have heard the Treasurer refer ad nauseam to the loss of \$4 billion in forecast revenue. However, it is worth noting that the revenue forecast contained in the 2008-09 *Budget Statements*—that is before the acceleration of the global financial crisis and its impact on state and national budgets—still stands. Those revenue forecasts over the forward estimates actually grow by \$500 million. The revenue base of Western Australia is secure, despite the dramatic impact of the global financial crisis on the country's economy. It is courtesy of the commonwealth government: \$2.9 billion from the commonwealth's nation building and jobs plan, \$1.5 billion from the Council of Australian Governments November 2008 agreement, and \$1.9 billion from the February 2009 COAG agreement packages have added a combined amount of \$6.281 billion of revenue to the forward estimates. That more than offsets the \$4 billion decline to which the Treasurer refers. On the one hand, we have had a loss of \$4 billion, but on the other hand, the federal government has underwritten the revenue base of Western Australia.

**Mr T.R. Buswell** interjected.

**Mr B.S. WYATT**: I do not have an enormous amount of time, Treasurer. If I come to the end of the comments I want to make, the Treasurer can raise the issue again.

That is an increase of \$6.2 billion since the midyear review, which is propping up the revenue stream of Western Australia. It is quite right for the federal government to do that, and that has been the subject of debate in this

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chamber on the role of the federal and state governments. However, the reality is that revenue projections for this year in the forward estimates are slightly better than those contained in the 2008-09 budget estimates, which were presented before the acceleration of the global financial crisis and the impact that that had on the nation's revenue base.

It is important, when we examine the budget, to go through the assumptions. The Leader of the Opposition has done this already in great detail in his very observant speech. This is certainly a skinny budget—a budget built on the proverbial house of cards. The out-years have a very small margin of error, looking at everything and anything, ranging from the projections of debt to the new net-debt-affordability ratio to expense growth, and indeed to a lesser extent revenue growth. It is very rare that a budget is tabled on day one and there is a black hole of over half a billion dollars. The Northbridge Link and Oakajee projects are not there! It now appears that the \$80 million taken out of the Midland Health Campus has to be resubmitted in light of Kevin Rudd committing \$180 million to that.

The new government has adopted a new fiscal strategy, and that is within its rights as a new government. It has abandoned the net-debt-to-revenue ratio and taken on a net-debt-affordability ratio, which is the prime difference between the two governments: the former Labor government and the new government. Interestingly enough, there has been a lot of talk about the net-financial-liabilities-to-operating-revenue ratio; however, this is not a financial target of the government. The Standard and Poor's measurement of net financial operating revenue is not a financial target of this government. Although the budget outlines the levels of that ratio at the current estimates peaking out at 85.6 per cent in 2011-12 and 85.4 per cent in 2012-13, it is also worth noting that the previous net-debt-to-revenue ratio from 2010 has been breached quite considerably. The one cap that we have that puts a limit on the government's appetite for debt is in the net-debt-affordability ratio and its ambition to keep that ratio at or below five per cent.

I will make some comments about the interest rate assumptions, which are worth looking at. By 2012-13 the net interest costs to the state of \$1.392 billion will bring that net-debt-affordability ratio to 4.2 per cent. An extra \$258 million in net interest costs is all that it will take to push that above five per cent. Bearing in mind that Oakajee is not in the budget, Royal Perth Hospital is still to come, and the Midland Health Campus is not there either, there are a lot of things to be taken on faith in this budget.

In respect of the interest rate assumption, which has been the subject of a question in the other place today—I look forward to the answer—from what I can gather from simply looking at the balance sheet for the total non-financial public sector debt and the operating revenue for 2009-10, the interest rate is assumed at 4.6 per cent; for 2010-11, 5.1 per cent; for 2011-12, 5.9 per cent; and for 2012-13, 6.3 per cent. In light of the fact that a mere \$258 million by 2012-13 will bust that five per cent net-debt-affordability target, the budget is enormously sensitive to interest rates. It must be remembered that at the moment our interest rates are at record lows, and into the out-years I dare say that those interest rates will rise, and probably more considerably than has been allowed for in the budget. *The Australian Financial Review* today reports that the 10-year commonwealth bond rate is currently at 4.8 per cent, and that it reached a high of 6.8 per cent over the past 52 weeks.

As we saw from the memo that the Under Treasurer prepared for the Treasurer earlier this year, we cannot borrow long; that is the problem Western Australia has at the moment. We are borrowing short, and that costs a lot more money; that involves a higher interest rate. We are looking at 6.3 per cent at 2012-13, when the Western Australian economy is due to be well out of the current recession climate. It is an enormous leap of faith to assume, as the budget does, that interest rates will stay at historically low levels. As the Treasury indicated today in its briefing to members of Parliament, in the past eight years the rates were eight or nine per cent. Straightaway members can see the impact that the interest rate assumptions alone in the budget can have on the bottom line.

We in the opposition live a frugal life. We do not have an enormous capacity to do the sort of modelling and calculations that the Treasurer gets from the Department of Treasury and Finance; however, it is worth doing some calculations. From my calculations, the buffer in the total non-financial public sector—that is, the sector that determines the credit rating that the Treasurer has outlined in the budget—and net-debt-affordability measurement indicates a buffer by 2012-13 of approximately \$900 million. Assuming all else being equal, it will be \$900 million! It sounds like a big buffer. Bearing in mind that by 2012-13 revenue is expected to be \$32 billion, the buffer we are working with is 2.7 per cent of revenue. That is the buffer to keep that figure below five per cent. Another way to look at that is that a loss of revenue or increase in expenditure of approximately \$200 million a year will see the ratio breach the 90 per cent level. That is, a drop in revenue of less than one per cent a year will see the net financial liabilities operating revenue reach 90 per cent, and a similar increase in

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expenditure will have a similar result. The impact of funding Oakajee and the Northbridge Link alone assumed \$550 million, and the retention of Royal Perth Hospital itself has not yet been factored in; and, on top of that, the government is assuming that its own source taxation levels will be growing in a climate of, apparently, a shrinking state economy.

The Leader of the Opposition has already quoted from page 43 of budget paper No 3. The costs for running both Royal Perth Hospital and Fiona Stanley Hospital are yet to be determined or even considered by the government. It is incredible to think that the government is not even thinking about it! We know that the Premier has referred to the iceberg out there. He has a big one approaching in the form of a large hospital in the central business district. If the Premier does not start thinking about that now, I dare say that by the time next year's budget is handed down we will see all sorts of horrible statistics in the out-years.

It is worth noting the words of the Premier, when he was the Leader of the Opposition, in debate in May 2003, commenting on the Mandurah train line —

... if this Government cannot present to this Parliament on Thursday —

That is in the budget —

a detailed costing of the south metropolitan railway showing exact cost estimates for each stage or individual component of the railway, and exact timing for its construction, its budget cannot be taken seriously.

**Mr D.A. Templeman:** Who said that?

**Mr B.S. WYATT:** This is from a speech by the now Premier —

If a detailed financial presentation on the railway is not included in this Government's budget, it will not be worth the paper it is written on.

Royal Perth Hospital has not even been considered by the government. I am not expecting to see detailed projections. It is in the final year of the out-years and we do not quite get to that yet. The fact that the government is not even thinking about it causes me enormous concern. In light of the fact that the only form we have seen to date is the 13 per cent expense growth for 2008-09 and the Treasurer's advance of \$1.2 billion, I dare say that the reason the government is not thinking about RPH is that it does not want to know the answer.

It is worth looking at the real spending contained in the government's first budget. The real spending, which is set out at page 78 of budget paper No 3—I have effectively adjusted it for the Perth consumer price index—is actually quite interesting. It shows that real expenditure is falling at the same time as the population is projected to grow. As I said, these figures are adjusted for the Perth CPI: education and training growth in 2009-10 is nine per cent; in 2010-11 it is negative two per cent. Growth in health will be three per cent in 2009-10, minus two per cent in 2010-11, three per cent in 2011-12 and three per cent in 2012-13. No wonder representatives of the Western Australian Police Union were unhappy when interviewed on the lawn outside Parliament House on budget day. Growth in recurrent expenditure on police will be one per cent in 2009-10, a negative two per cent in 2010-11, one per cent in 2011-12 and one per cent in 2012-13. Growth in recurrent expenditure on child protection will be six per cent in 2009-10 and minus two per cent in 2010-11. Growth recurrent expenditure on disability services, which is probably the best result of the lot, will be five per cent in 2009-10 before a real decline of two per cent in 2010-11, a growth of eight per cent in 2011-12 and then coming off to a negative three per cent growth in 2012-13.

When I quickly looked at the budget papers for the first time I saw that expenditure growth was projected at 2.1 per cent in 2010-11. I thought that there was no way that would be met. I now see why the government has managed, at least in the books, to get growth down to 2.1 per cent. It is projecting real cuts across education, health, police, child protection and disability services in 2010-11. As anybody with any experience of health budgets would say, expecting a real cut in recurrent spending in health for 2010-11 of minus two per cent is quite absurd. It again highlights the point I made at the beginning of my speech: it is a very ambitious and skinny budget built like the proverbial house of cards. Assuming a figure of only one per cent in extra growth in spending over the four-year period will add an extra \$465 million to the expense equation, we still do not have the Northbridge Link. The Treasurer told us today in question time he does not know how much it will cost. We know how much the Oakajee port development will cost, it is just not in the budget. Standard and Poor's ratio is five per cent net debt affordability, and it has gone —

**Mr T.R. Buswell:** Standard and Poor's ratio has not gone.

**Mr B.S. WYATT:** — even based on the most conservative estimates on spending contained in the budget.

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**Mr T.R. Buswell:** That is wrong.

**Mr B.S. WYATT:** Enough! Even the tax growth assumptions are somewhat paradoxical. Growth in gross state product is projected to fall. I appreciate that it could happen, but again the figures are ambitious. GSP is expected to contract by 1.25 per cent in 2009-10, yet state taxation return is expected to increase.

**The DEPUTY SPEAKER:** The member for Rockingham will please not read a newspaper in the chamber.

**Mr B.S. WYATT:** State taxation is expected to rise by 3.8 per cent. GSP is expected to contract by 0.5 per cent in 2010-11, yet a 6.6 per cent rise in taxation is expected, before returning to GSP growth and further rises in revenue.

[Member's time extended.]

**Mr B.S. WYATT:** As I have pointed out, a minuscule variation in the revenue or expenditure component of the state budget will see the AAA credit rating lost. There is no doubt about that. The assumptions in the budget are not sustainable. The expenditure straightjacket placed on this budget will not be met. I am confident about that. Even the wage growth factors going out do not replicate the wages policy of the government. There is a projected growth of 5.8 per cent from 2008-09 to 2009-10. In the next year there is projected growth of 4.75 per cent, the next following year 5.5 per cent and the year after that six per cent. The government has a wages policy, yet the budget allows for significantly higher growth. I am assuming that the employment cap holds. The budget contains a lot of room and doubt about its assumptions. When they are factored in over the forward estimates, the debt level, which I will get to shortly, rapidly increases.

The Leader of the Opposition has already covered the impact of the Australian dollar, but it is worth noting, as he noted, that on budget day the dollar was worth US75.2c. The budget makes an assumption of US68.5c. Assuming that the Australian dollar continues to be worth US75.2c, there will be a loss of \$360 million in 2009-10 alone. The Australian dollar is extremely volatile, as we know. Macquarie Private Wealth, which is one of many financial advisors that look into the great unknown and try to come up with these sorts of figures, is currently expecting the Australian dollar to be worth US70c by the end of 2009 and US74c by mid-2010. The government's figure of US68.5c does not take into account the significant fact that the Australian dollar will remain higher over the course of the next financial year. Each additional cent in the value of the Australian dollar means \$55 million less revenue, which would wipe approximately \$360 million from the state's revenue base for 2009-10. Again, that is another budget assumption that suggests to me that the Premier's comments about not planning for a deficit have had a dramatic impact on the way that this budget has been prepared and handled.

Goods and services tax revenue is worth looking at. There has been much comment made on it recently. The Premier has been threatening his very good friend Kevin Rudd with making an election issue of the declining GST returns to this state going down to 5.7 per cent. It is a point that the previous Treasurer and now Leader of the Opposition made. The Premier has made the point that no-one could have foreseen these sorts of drops in GST returns. It is therefore worth looking back at the debate on the GST that occurred when the Premier was then a senior minister in government in June 2000. The now Leader of the Opposition asked the now Premier —

Should the grants commission determine our share of GST revenue?

The now Premier replied —

It is a good question. I would rather see simple GST revenue sharing on a population or revenue raised basis. It would present some anomalies, as we have national companies and the like. I do not like the grants commission process and I do not think it is particularly effective. It has served Australia's purposes in the earlier period of our development, but I do not think it is appropriate now. That is a bigger issue to which we will come later.

The Premier knew back in 2000 when he was a senior minister in the Court government that signed up to the GST deal that the arrangement would not result in a fair outcome for Western Australia. He cannot now come into this place and say that no-one could have foreseen it, when he highlighted the point that he knew back then but chose to do nothing about it. The government may get a positive out of GST revenue, because it has been historically underestimated. From 2003-04 to 2007-08 Western Australia received \$350 million more in GST revenue than was predicted in the state budgets over that period. A comparison between the 2009-10 state budget and the 2009-10 commonwealth budget in the forward estimates period indicates that Western Australia will be getting an extra \$927 million—\$1 billion. As I said earlier, the forward estimates contain a \$900 million buffer that will hopefully be doubled by the GST return.

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I turn now to the asset investment program and debt that have been the subject of a great deal of debate over the past eight months. The capital works program of the previous government has been replaced by the asset investment program. The government has removed Keystart and capital grants to third parties to get to the asset investment program. It is interesting to follow the debt projections of \$8.3 billion of the investment program to be spent in 2009-10. In the general government asset investment program, the total investment by the general government sector is \$11 billion over the four years and \$13.4 billion from 2008-09. Therefore, the debt position in the general government sector will increase from a negative \$3.4 billion to \$6.2 billion by 2013, which will be an increase in debt in the general government sector of \$9.6 billion. The net debt position for this period means that the general government sector will take on an extra \$8.7 billion to fund \$13.4 billion of the asset investment program, which means that 65 per cent of the general government sector's asset investment program will be debt funded. This is why oppositions talk about interest bills in the general government sector of \$600 million, the total non-financial public sector of \$1.7 billion and the total public sector net debt position of \$1.5 billion. These are significant figures. Turning to a speech delivered by the now Premier in 2003, which was a good speech because the now Premier had much more wisdom when he was Leader of the Opposition, he said —

As every householder understands, what matters is not so much the surplus or deficit year to year but the amount of money owed, the amount of interest to be paid and the total amount that ultimately must be repaid.

Referring to his last time in government, he said —

The coalition enjoyed strong economic growth and paid off Labor's debt burden by \$2 200 for every man, woman and child in Western Australia. What has happened under this Labor Government? In its first year, debt went up by \$891 million. Last year it was estimated that debt in its second year... would increase by a further \$585 million. The forecasts show that by the end of this term of government Labor will have added 40 per cent, or approximately \$2 billion, to state debt.

It is worth applying the Premier's, then Leader of the Opposition, argument to the current government. Actual net debt in the general government sector is estimated to go up by \$3.2 billion. That is a reversal by the end of the term of government of \$9.6 billion or an increase of 430 per cent. In the form that the Premier likes, by 2013-14, the debt burden will amount to \$7 850 for every man, woman and child in Western Australia. In a simple calculation for the good people of Victoria Park, their debt burden will be \$355 million—that is their debt. In fact, the Acting Speaker's (Mr V.A. Catania) electorate can look forward to \$257 million of debt by 2013-14, and the Pilbara people, member for Pilbara, \$214 million—that may be to fund the Pilbara revitalisation program and the various debts that go with that. The debt position has been discussed at length. I will again refer to comments the current Premier made in 2003 when he referred to and discouraged the ability to pay argument—namely, the argument the government has given us. He said —

... but what really matters is how much is owed, when it will be paid back and the interest bill. That is the amount written on the cheque and the amount this State owes the bank.

The Premier was right when he was the Leader of the Opposition; however, the position has fundamentally changed now that he sits on the other side of the chamber.

The shadow ministers of various portfolios will deal with specific program areas; however, there is one area I would like to quickly note. I thank the member for Cannington for bringing the issue of Main Roads funding in Western Australia to my attention. Page 427 of the budget papers states that the total asset investment program for Main Roads in 2009-10 is about \$654 million. From 2009-10 there will be massive cuts in road funding. By 2012-13, the amount the state government will spend on roads will be 22 per cent of that for 2008-09; that is, a reduction of \$517 million in road spending over four years. At the same time, the commonwealth is increasing its spending by 60 per cent. The government is fundamentally withdrawing from roads over the next four years. Certainly, in a state such as Western Australia, a large state, we all know that transport corridors and the safety of our roads are fundamental. If the government draws half a billion dollars in spending over forward estimates, we will see what will happen in time.

In my final few minutes I want to quickly note the taxation relief measures indicated by the government. The 50 per cent cap on the land tax bill is strongly supported by this side of the house. There was some debate earlier this year on land tax and the impact it had, particularly in the past financial year, on holders of commercial property. There were extraordinary increases in some of those values. The residential land tax increases were by and large dealt with in the tax cuts set out in the 2008-09 budget. However, the commercial property sector was hit very hard and at a time when it had to pass on those costs in a very adverse economic climate, so it was not linked to the capacity to pay and, certainly, that 50 per cent cap is welcome. The payroll tax rebate has been

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warmly welcomed, with no surprise, by the Chamber of Commerce and Industry of Western Australia. The comments I have publicly made are that it is not necessarily linked to any employment outcomes; it is a rebate that will show up in the cash flow of those small businesses in the next financial year. Some questions that I will put to the Treasurer during estimates will be about whether any consideration was given to whether businesses will try to wind back their payroll tax liabilities to fall into that rebate zone of up to \$1.6 million.

As I have said, it appears to me that the budget was written in considerable haste. The Treasurer had probably done most of the work until the Premier came out and said that there would be no deficits on his watch. Therefore, the budget was rushed back down to the Treasury to try to fix those figures. It is a very, very skinny budget. The house of cards is based upon assumptions that, I dare say, will come unstuck over the next 12 months. There is no money set aside for Oakajee and there is nothing for the Northbridge Link; the Midland health campus will need to be put back into the budget now that Kevin Rudd has come to the party —

**Mr T.R. Buswell** interjected.

**The ACTING SPEAKER (Mr V.A. Catania):** Order!

**Mr B.S. WYATT:** Royal Perth Hospital has not even been considered by the government and it is not even thinking about it at the moment, it will get there eventually. The three per cent efficiency dividend failed in its initial form, and it has now changed into something different—the 13 per cent expense growth—all of which suggest to me that the government does not have the capacity to —

**Mr T.R. Buswell** interjected.

**The ACTING SPEAKER:** Order, Treasurer!

**Mr B.S. WYATT:** — stick to the spending constraints that it has set out in the real spending, which sees real cuts to core services at a time of growth in our population. The government will not have the ability to meet all those estimations it has in this budget; the assumptions are based on the proverbial thin ice and I have great fears that by the time the budget comes around next year, we will see that five per cent gone and the 90 per cent significantly under threat.

**MR P.B. WATSON (Albany)** [5.05 pm]: It gives me great pleasure today to represent Albany in this budget debate. I do not know whether it is simply because our side was in power for eight years, but I do know that the people of Albany are very disappointed with this budget. People around Albany—I do not know whether members have ever been to the blowholes there—have named the budget “Buswell’s blowhole”, because we must sit around waiting, there is a hell of a lot of noise, something comes up really quick, it disappears and we get nothing. That is what this budget is about.

When the Labor Party went to the election, it made promises about what we would do. One promise involved Albany Regional Hospital—I accept criticism for nothing being done beforehand—and we had \$100 million on the table for the first stage of the hospital, and \$68 million for the second stage. The Liberal Party came along and offered \$135 million, which it got from a computer two years previously, based on some consultancy it did. With all the other costs that are going up, the government still thinks the hospital will cost \$135 million. What do we see? Hold on, \$60 million is coming from the royalties for regions program. I always thought royalties for regions was on top of what the government promised. The Liberal Party promised \$135 million to start off. I want to know where, from the amount of \$135 million, that \$60 million has come from, because royalties for regions has now come in. The Liberal Party said, “Look, we’ll give you \$60 million as long as you give it back for the hospital.” The government says it has a surplus, but there is \$60 million that is not accounted for that the government set in the budget. Something else has also been cancelled, but I will get to that a bit later.

**Dr K.D. Hames:** Does the member want me to explain?

**Mr P.B. WATSON:** No, the Minister for Health will have a chance to have his say. Actually, I have a quote from the Minister for Health about the Albany hospital, which states —

A spokesperson for Health Minister Kim Hames said the “fast-tracked” project was not on the back burner, even though no plans had been drawn up in the six months since the election.

The budget states that \$3 million has been spent. If no planning has been done, where has that \$3 million gone? That is another \$3 million. Therefore, we have \$60 million and \$3 million from the hospital.

I will now talk about the waterfront development. As the former Premier and former Treasurer would know, all they seemed to do was hand out money for Albany. We would have spent \$14 million this year on the waterfront development. The current government has spent \$4 million; therefore, that is another \$10 million. Everything

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that is making this so-called surplus look very good—\$10 million, \$3 million and \$60 million; that is, \$73 million in Albany—I am sure if members added up everyone else around the place, it would be way ahead of what the government's so-called surplus is. The government has also cut the waterfront development. The government has taken \$4 million from next year and \$1 million from the year after as part of its cost cutting. I know from working very closely on the waterfront development that LandCorp was having huge problems keeping to budget—now \$5 million has been taken off next year's budget. I know LandCorp had a lot of trouble getting the right sort of rocks for the marina development and that it was \$1 million over budget. Therefore, if we take off that \$5 million plus the extra \$1 million it needs for proper rocks for the marina, that is another \$6 million. Therefore, another \$6 million has disappeared from Albany.

We talk about royalties for regions. I am a great supporter of royalties for regions. I have said that in Parliament. I have said also that I support the Leader of the National Party. The government said that \$60 million would come into Albany for the hospital redevelopment. That \$60 million—which was to be put into Albany to cover a Liberal Party promise—could also be used on the ring-road, which was promised but has not been built, or on the upgrade to the Albany Surf Life Saving Club, which was also promised but has not been done. It could also be used for an upgrade to the Albany and Districts Trotting Club, which both Racing and Wagering Western Australia and the state government have said they support. There are many projects in Albany for which that \$60 million from royalties for regions could be used. It could be used to fix our roads. I remember that when I was sitting on the other side of the house, the member for Blackwood-Stirling used to bleat continually about how dangerous Chester Pass Road is and how it needs to be upgraded, particularly near the Stirling Range. There is not one cent in the budget for that. When members opposite were in opposition, they said this work had to be done. However, now that they are in government, absolutely nothing has happened.

Another broken promise is the \$21.9 million expansion of the Albany waste water treatment plant, which is under construction at the Albany tree farm site. That is a state and local government project. That money has gone. I am running out of time to list all the broken promises for Albany. I reckon that the government got its surplus just by taking things out of Albany!

I turn now to Skywest Airlines. The member for Geraldton, who flies regularly, and other regional members would know how important Skywest is to the regions. A regional airline is very important, because it makes it easier for businesspeople to travel to the regions, and it also encourages tourism and helps keep people off the roads. The Minister for Transport in the other place has been sitting on a report for more than six months. Skywest is struggling—like all airlines in Australia and around the world—to keep going. The state government told Skywest that it would give it a six-month extension. It has now said that it will give it another three-month extension. The government is not dealing with someone who is flying a kite at the local park. It is dealing with a multimillion-dollar, multinational company. It is treating the people in that company as though they are idiots. I know that Skywest is very loath to take that extension. That is my opinion

**Dr K.D. Hames:** Skywest had said that it will not be taking that extension.

**Mr P.B. WATSON:** That is even worse, is it not?

**Dr K.D. Hames:** No. It means we will have to resolve the issue, and we will.

**Mr P.B. WATSON:** But Skywest has had to force the government into that. I have asked the Premier questions twice in the Parliament about Skywest, and all the Premier has said is, "We'll get around to it." Does the minister think that is the way to run government? This business is trying to keep people employed throughout regional Western Australia—the flight attendants, the ground crew and all the other people involved—and the Minister for Health is saying, "Well, we've got to make a decision now, because Skywest had told us that it's not going to extend." I think that the inquiry has shown that there should be deregulation, and the government is very scared of what is going to happen. What will happen is that a fly-by-night company will come in and undercut Skywest. It will do what Skippers Aviation did in Geraldton. Skippers Aviation came into Geraldton, and it lasted for 18 months; it could not make a profit, so it went away. What will happen is that one of these fly-by-nighters will come in, and Skywest will say, "Okay, we'll go somewhere else", and when we want Skywest to come back to Albany again, it will not be there and we will not have an airline in Albany. That will be on the government's head.

**Dr K.D. Hames:** Only if you are right, and you are not.

**Mr P.B. WATSON:** It is all right for the Minister for Health to say that, but obviously the minister does not have any clout in cabinet, otherwise something would be done.

**Dr K.D. Hames:** Maybe I do, and something is being done!

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**Mr P.B. WATSON:** I have talked about the waterfront development and the entertainment centre. Members will probably find this in the local weekend paper, which is going around, but I have spoken to a lot of people about this budget, and everyone in Albany is very disappointed. When we were in government, a record amount of money was spent in Albany. Funding was proposed for the waterfront development, the entertainment centre, the ring-road and the justice complex. All this money was put in. The general feeling in Albany now is, “Oh well, the Liberal Party is back in government again, and there is nothing for Albany. We have looked at Bunbury and have seen what they are getting, and we have looked up north and have seen what they are getting, but there is nothing for Albany.” That is what is happening. The government is taking away all these projects that we put in place. The Albany Regional Hospital redevelopment has also been put off. That is just so that the Treasurer and the Premier can bolster their egos by saying they are not going to have a budget deficit. What have they done? They have taken away from the very people who got them into government.

I know that I will need to get on to talking about my constituents, otherwise the Attorney General—“Mr Short Pants”—will get very upset. It is amazing. The Attorney General said, “My friend next to me.” He did not name his friend next to him in Parliament. He said “My friend in Parliament.” It is interesting. This is the first time we have ever seen a Treasurer walk to the table to make his budget speech. The Premier has put the Treasurer into a seat so far back—because he is embarrassed by him—that he had to walk to the table to make his speech! The Premier needs to keep the Minister for Health in the seat to the right of him so that he can tell him what to say. The Premier needs to keep the Minister for Education in the seat to the left of him so that he can tell her what to say. I think the Minister for Police is in the seat he is in just because they could not find anywhere else to put him!

Several members interjected.

**The ACTING SPEAKER (Mr V.A. Catania):** Order, members!

**Dr K.D. Hames** interjected.

**Mr P.B. WATSON:** May I have some protection, please, Mr Acting Speaker? The Minister for Health has got verbal diarrhoea and I just cannot stop him!

**The ACTING SPEAKER:** Absolutely!

**Mr P.B. WATSON:** I turn now to the grain rail freight network. When National Party members were in opposition, they kept talking about how we need to keep the grain trucks off the roads by building a grain rail freight network. That is a huge issue in my electorate, and it should be a huge issue in the electorate of the member for Blackwood-Stirling. Is there any money in the budget for that rail line? No. When the National Party members were in opposition, they accused the then government of not doing this and not doing that. Now that they are in government, all they have done is provide some big-ticket items such as the Country Age Pension Fuel Card. That is great. However, they need to realise that, although these big-ticket items are wonderful, the people on the ground want to be looked after. People’s power bills will be going up by \$750 over three years. I need to thank the *Albany Advertiser*, because we launched the Salvation Army appeal the other day. The Salvation Army is appealing for people to donate more blankets this year. That is because many of our seniors will not be able to afford to put on their electric heaters at night, and with the increase in water rates, they probably will not be able to afford to have a shower either, so they will be cold and smelly for the whole time the Liberal and National Parties are in government!

There are 419 families in Albany on the Homeswest waiting list. What is the Treasurer doing about that? Absolutely nothing! We have a crisis. People are coming into my office —

Several members interjected.

**The ACTING SPEAKER:** Order, members to my right!

**Mr P.T. Miles:** Why did you not build any houses there when you were in government?

**Mr P.B. WATSON:** We did build houses there. We are not in government now; members opposite are. It is no good asking about what we did. Members opposite are in government now, and they need to take responsibility. You are in government now, boys! Do something about it!

Albany Surf Life Saving Club is an absolute disgrace. The Liberal Party candidate for Albany bragged about how a Liberal government would match the \$550 000 that had been promised by the then Premier when he came to Albany. There were two witnesses to that statement. One of them was Jo Lucas, the person who rescued that man from the shark attack in Albany. Therefore, when it comes to having integrity on that promise, I know who I would believe. The men’s crisis accommodation centre —

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr T.K. Waldron** interjected.

**Mr P.B. WATSON:** No; do not pass it off to that minister!

**Mr T.K. Waldron:** I'm sorry to tell the truth, but that's the truth!

**Mr P.B. WATSON:** Nice guys run last, Tuck! That is all I can say!

When were in government, we set up a task force to address the need for men's crisis accommodation in Albany.

**Dr K.D. Hames** interjected.

**Mr P.B. WATSON:** No. If the Minister for Health had been listening, he would know that it is different. I am talking about men's crisis accommodation. I will speak more slowly if the minister would like. There is no accommodation in Albany for men who are in a crisis situation. We got all the groups of people together, and we got some funding from the various agencies, and we drew up a business plan. Obviously I am not running that committee now. I have not heard what has happened with that. I would like to find out. I ask the Minister for Health to find out, because the health department was one of the agencies involved.

**Dr K.D. Hames:** I do not know anything about it. If the member gets something to me, I will have a look.

**Mr P.B. WATSON:** I congratulate the Minister for Health in relation to the Men's Resource Centre in Albany. I asked the minister a question without notice relating to the Men's Resource Centre. He organised to give the centre an extra year's funding, which I appreciated. The health department advised the minister that there would be no accommodation funding after three years. The minister promised to table that advice. He found out that his department had made a mistake. I am advised that the minister is going to pass on that funding for the Men's Resource Centre.

**Dr K.D. Hames:** It is going to continue with that level of funding for at least the next four years.

**Mr P.B. WATSON:** That is tremendous. I will pass that on to everybody in Albany. The minister did not have to do that. It was his idea to fund the Men's Resource Centre for the extra year in the first place. I congratulate the Men's Resource Centre.

**Dr K.D. Hames:** It does a very good job.

**Mr P.B. WATSON:** It is a shop front. People come in off the street. The centre operates in partnership with Lotterywest and community health organisations. It goes right out to the regions and does a tremendous job. I congratulate everyone concerned.

I congratulate the 450-odd people who signed the genetically modified organisms petition that went to the City of Albany. I congratulate the City of Albany for having the courage to stand up and say that we do not want GMOs in our region. I will say something nice about the Minister for Sport and Recreation. We had a WA Football League match, Claremont against South Fremantle, in Albany. It was a bad result. I represented the minister and presented the fairest and best award. I appreciate that opportunity, minister. Shame we did not get the proper result!

**Dr K.D. Hames:** The member has only got four minutes left. Where is his list?

**Mr P.B. WATSON:** I will not forget my constituents. Kelly Spinks was awarded the Jetstar Travel National Consultant of the Year after recording the most sales. She beat all other consultants from the group's 400 franchise offices.

In sport, Albany Triathlon Club member Corrine Bracknell won a silver medal in her age group in the Busselton Half Ironman race. North Albany Football Club's Warrick Proudlove is the Joseph William Burton perpetual shield ambassador as the best player of the season in the Great Southern football development squad. Warrick is off to play colts for Claremont. According to his development squad coach, Darrell Panizza, he has all the attributes to make it to Australian Football League level. He is a very good basketballer, too. He comes from a very good sporting family. Two Albany riders were successful in the Equestrian Federation of Australia eventing championship series held in Capel.

[Member's time extended.]

**Mr P.B. WATSON:** Chanelle Condren won on board Flaming Nijinsky among the senior riders. Gabby Pither, on Skywalker, won the high school competition and was second in the junior preliminary grade.

In the Albany Cricket Association A-grade awards, North County captain Craig Tonkin again took all before him with the highest batting average and aggregate. He also won the captain's award, the umpires' award and

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cricketer of the year. Royals' Dylan Morgan was junior cricketer of the year and took the bowling aggregate. Dylan's father is also from a great sporting family.

*Point of Order*

**Mr W.R. MARMION:** I am wondering whether the member should get back onto the budget. It is very interesting —

**Mr M.P. Whitely:** He has free rein.

**Mr W.R. MARMION:** I withdraw my point of order.

**The ACTING SPEAKER (Mr V.A. Catania):** It is a general debate. The member for Albany has the call.

*Debate Resumed*

**Mr P.B. WATSON:** I will tell people in Albany that the member for Nedlands does not want me talking about them!

Dave Warren from North County took the bowling average. Dave Freeman was umpire of the year. Nathan Dovey was player of the finals after bowling Collingwood Park to victory. Railways' Julian Crudelli was the under-21 player of the year. In B-grade cricket, Railways' Peter Slebos won the bowling aggregate, the captain's award and cricketer of the year. Darren Grey from Collingwood Park took the batting aggregate. Railways' Simon Harvey won the bowling average and fellow player Brad Hopperton took the umpires' award. Glen Battersby was the player of the finals.

Spencer Park Hockey Club A-grade player Danny Burling played his 150<sup>th</sup> game for the club. Shane Congram was the first player to play 200 games. Seventeen-year-old Albany Senior High School student Kaitlyn Seymour was a finalist in the WA Youth Awards, representing Nine Lives Studio. Nine Lives Studio provides at-risk youth under 25 years of age with a safe place so that they can be creative and involve themselves in community art projects with the support of local artists. Fellow Albany Senior High School students Carolyn Lonie and Catlin Frunks made it to the final of the United Nations Youth Association (WA) Hammarskjold Trophy Competition.

From the seniors community, Isla and Brian Moir recently celebrated their sixty-fifth wedding anniversary. They first fell in love as students at Albany Senior High School.

High jump coach Peter Muller was invited to attend the national U-17 development squad camp, along with his star pupil Tessa Maroni. When Tessa went to the camp in the eastern states, one of the first things the athletics coaches said was, "Don't let the volleyball coaches or the basketball coaches see you because you've got a lot of ability in a lot of areas."

I thank the people who filled out the petition to stop people fishing at William Bay. I presented the petition in Parliament today. It is a very big issue in the Denmark electorate. It is not my electorate, but people have come to me because they know I will get something done for them.

I am very disappointed that the Better Beginnings Family Literacy program has been stopped as a result of the three per cent cuts by the government. Young children would go along to the library, be read to and taught how to read at an early age. Before my first grand-daughter was born, I used to read stories to her in her mother's womb. Now she cannot stop reading books. I do not think we have to get them that early, but I think we have got to give kids every opportunity to read. That is the best way for them to learn.

**Mr M. McGowan:** So that program has been cut?

**Mr P.B. WATSON:** It has been cut.

**Mr M. McGowan:** Not just in Albany?

**Mr P.B. WATSON:** It has been cut in Albany, so I think it might have been cut statewide. It is something I will be following up.

**Mr M. McGowan:** That is shocking.

**Mr P.B. WATSON:** It is absolutely disgusting.

I congratulate Kevin Arnol, who was awarded the Order of St John for his 50 years of dedicated service to St John Ambulance Western Australia. Jim Hanna was awarded WA Neighbour of the Quarter for his dedication to the Great Southern Neighbourhood Watch program.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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In January, the Albany Police and Citizens Youth Centre bus was destroyed in an arson attack, which shocked our community, but in true country spirit an appeal was launched by the Apex Club of Albany and the *Albany Advertiser* to raise funds for a replacement. This week, the target was reached. Congratulations to the Apex Club of Albany, Senior Constable Terry Eaton from PCYC and all those who donated and did what they could to raise funds. I thank the *Albany Advertiser* for continually publishing progress of the appeal. Some of the local businesses and community organisations who donated included Ryde Building Company, Hudson Henning and Goodman, *Albany Advertiser*, Albany Retravision, Barnesby Ford, Middleton Beach Holiday Park, Travelworld Albany, Albany Combined Tyre Service, Emu Point Holiday Park, Reshet Forestry Contractors, Albany City Motors and Stirling Soft Drinks. The Porridge Bikers from Albany Prison raise money every year for charity. They ride their bikes over long distances. Most of them need to because they are a bit on the chubby side! I only say that in jest. My list continues: the Albany Badminton Club, the Christian Family Church in Care Ministry, Domino's Pizza Albany, A.S. Turnbull and D.S. Terranova, Albany PCYC Women's Self Defence Club, Grace Removals Albany, Depeche Mode, Uptown Boutique, Albany Volunteer Fire Brigade, G.W. and T. Bennett, Caledonian Society of Albany, Jaycees Community Foundation, Whalers Galley Café, Church of All Nations, Albany Weavers, D.K. Ball and Co, Trailblazers, Blockbuster Video Albany, Angus and Robertson Albany, and Albany City Cabs customers and staff. These people get hit all the time for everything. They really get behind the community. I am not saying that everyone, when they come to Albany, must go to these businesses. I do not know what it is like in the city, but in regional towns the PCYC is such an important part of the community. It had a crisis in Albany and everyone got together. That is the true spirit of country areas.

I will talk about a very good friend of mine, a former athlete, who lived in Albany in her later years. Her name is Margaret Burvill Edwards. She was a sprinter. She broke the world record over 200 metres at Perry Lakes Stadium on 22 February 1964. I was a very young athlete then and I had never seen a world record broken and had never seen anyone run so fast. After I saw her run that day, it inspired me to go further with my running career. She was a tremendous lady. She suffered bad health in the last few years—she had cancer. When I met her walking along the beach at Albany about a month before she died, she still had a very positive outlook on life. She thought only about the good things that had happened to her. She had a beautiful family—she had beautiful children and grandchildren. I express my personal admiration for her, not only for the way she carried herself on the running track—anyone could do that—but also for the way she carried herself when she was off the track.

**Mr W.R. Marmion:** Member, I missed her name.

**Mr P.B. WATSON:** Margaret Edwards, or Margaret Burvill Edwards. Margaret Burvill was her name when she was a sprinter, and when she married she became Margaret Edwards. She was a tremendous lady. I know that our new running track is to be opened—the Minister for Sport and Recreation has said that it will be opened soon. I congratulate the government on that. I know that it was started by the previous government. It is tremendous that Western Australia will have the national championships next year. Hopefully, some of the other people I used to run against will come across to Western Australia on their Zimmer frames and we can have a reunion.

I turn to Albany Regional Prison. Today, the Attorney General, in short pants, said to me when I queried him, “Do you want to double the number of beds in the prison?” I said, “Yes.”

**Dr K.D. Hames:** Have we seen the *Hansard* in which you are reported as saying that?

**Mr P.B. WATSON:** Yes. He said, “Do you want to double it?” and I said, “We need more beds in Albany Regional Prison because it is a maximum-security prison.” I just happened to have a journalist ring me a little while ago about the prison. The prison officers in Albany are very disappointed with what has happened. They say that there are 231 prisoners in the prison at the moment—there are supposed to be 186—and there are 134 beds, and they can fit in the double-bunks. The minister said “double”. If we double 134, I always thought that it came to 268. However, he is now saying that he has given 60 beds to Albany and 60 to Pardelup Prison Farm. Pardelup has a minimum-security prison. Anyone can go in there at any time. It is very low key. However, Albany Regional Prison is a maximum-security prison. The staff there are under pressure all the time. There are 231 prisoners there, and there are supposed to be 186. Today the minister said that he is giving 60 more beds to Albany and 60 to Pardelup. However, that is not helping Albany Regional Prison.

A regional town may have a maximum-security prison. In Albany, I am sure that the people in Little Grove or Frenchman Bay who live next door to the prison sit there and think, “We have a maximum-security prison. There are 45 more prisoners than there should be at the moment.” If they had read the newspaper, they would have seen it reported that more and more people are being kept in jail for a lot longer. I would be very worried if

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I lived in that area, because the facilities are not being provided to the prison. As I said, it is a maximum-security prison. It is not a minimum-security prison; it is nothing like that. We get all the bad ones at Albany prison.

**Mr R.F. Johnson:** Not all the bad ones. You get some of the bad ones.

**Mr P.B. WATSON:** We do not get too many good ones down there. I do not know what the minister considers good or bad, but I believe that people who go into a maximum-security prison are not very nice. However, the minister probably mixes in different circles.

It is interesting that the government claimed that it had provided \$2 million for Albany Senior High School. That is federal money, yet the government is going around saying that it is putting \$2 million into schools. That is not the state government's money; that is federal money. It is a bit like some of the royalties for regions money. The government puts it in here and takes it away from there. I fully support royalties for regions, but not when it is being rorted in the way that it is at the moment.

I say to the member for Wagin that I spoke before about the \$60 million for Albany Regional Hospital, a sum that had already been budgeted for by the previous government. Now the government is saying that that is \$60 million provided under royalties for regions. I cannot understand how that is royalties for regions money when it had already been budgeted for. I want to know where that \$60 million from the previous government's budget has gone. Anyway, I have spoken about that before.

The people of Albany are disappointed with the budget. If members look at the weekend newspaper, they will find that the headlines are to the effect "Liberals back—Albany to miss out". That is the attitude. When I was elected to the seat of Albany in 2001, Albany had not received anything for the 25 years in which there had been a Liberal Party member for the area. In the Labor government's time in office, it spent more than \$300 million in Albany. There was the waterfront development, the entertainment centre, the justice complex and the ring-road. There were upgrades to the hospital in that time. Then we budgeted for the new hospital. The main complaint about our government was that it did not —

A government member interjected.

**Mr P.B. WATSON:** No. We put aside \$100 million for the first stage of the hospital. Building would have been well underway now. An amount of \$8 million is put aside in the budget for planning next year. It is now 2009, so that means that that money will not start to come through until 2011. The cost of the hospital is only \$135 million. Albany will not get what the Liberal and National Parties promised. They made false promises. Privatisation will come in. When I raised this issue during the election campaign, I was called a liar by the Liberal Party. I said that the Liberal Party would privatise our hospital, and it will. Then I was called a liar.

This is a very disappointing budget. The Treasurer has shifted money around to boost his ego, and to make him and the Premier look good, to the detriment of the people of Western Australia.

**MR D.A. TEMPLEMAN (Mandurah)** [5.35 pm]: I am very pleased tonight to make a contribution to this debate on the budget. However, I am very disappointed. In fact, I am very concerned for my community because of the quality of the budget that was handed down by the Treasurer last Thursday. I have gone through the budget papers and looked at what is allocated to not only Mandurah, but also the adjoining seat of Dawesville and other areas in the Peel region. I remain very concerned that this government, having been elected in September last year, has now turned its back on my electorate; on the member for Dawesville's electorate, I believe; on the member for Darling Range's electorate, particularly the local government authority of Serpentine-Jarrahdale; and on a number of other communities in the Peel region. This goes to the crux of the question that I have raised in this place on numerous occasions about where Mandurah fits in this government's view of a regional city. I have said this many times. I sometimes battle even with members on my own side to highlight where Mandurah fits.

It is very interesting that under the royalties for regions policy of the National Party, which has been endorsed by the Liberal Party in coalition with the Nationals, Mandurah is included in some respects and it is not included in other respects. When government departments draw the boundaries and place Mandurah within their boundaries, it is included as a country region or a country regional centre—for example, by the police department—and yet with Main Roads Western Australia, for example, Mandurah is sliced in half, with part of it being in the southern area controlled by Bunbury, and with the northern part being controlled by the metropolitan area. When it comes to departments such as the Department of Education and Training, Mandurah is a part of the Fremantle-Peel southern metropolitan section or region, so we are hived off into that southern metropolitan section.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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The time has now come for government—in this case it is the National Party-Liberal Party coalition—to tell me where Mandurah fits. I know where it fits, in my view, and I have articulated that in this place on numerous occasions.

**Ms J.M. Freeman:** It's the centre.

**Mr D.A. TEMPLEMAN:** Apart from being the centre of the universe, Mandurah is a regional city of Western Australia—the largest regional city outside the metropolitan area. I challenge anyone on the other side and anyone on this side to show me that that is not the case. Mandurah is not part of the metropolitan region scheme. It never has been included in the metropolitan region scheme. It does not appear within the metropolitan region scheme boundaries.

**Mr M.W. Sutherland** interjected.

**Mr D.A. TEMPLEMAN:** I will come to the member for Mount Lawley; do not worry. I will come to the city folk, the city bumpkins, who sit up here and have a go at me for being a regional member when I have to make the lonely trip to Mandurah from this place every night. I will have a go at the country bumpkin-attacking member for Mount Lawley, who pompously sits on his red chair when he goes home. It takes him five minutes to get home when he leaves this place. He zooms over to his little house on the hill in Mt Lawley in his government-paid vehicle. He is arguing against me because I would not give him a pair so that he could see his bowling club people, and then he told the bowling club president to give me a ring. What an absolute disgrace!

Mandurah has never been included in the metropolitan region scheme and until this government or any future government includes it in that scheme, it will be a regional city.

I will now refer to some of the comments of members opposite, including ministers. According to my notes, the Minister for Regional Development said in a speech about royalties for regions to the University of Western Australia on 16 December 2008 —

Today marks a new direction in state government policy—a direction which includes those who live beyond the boundaries of our capital city. Under royalties for regions, people living in rural, regional and remote locations can be assured that they are very much a part of the priorities of the state government. Because as of today people living in the regions will begin to benefit as a result of the government “putting it back” by investing royalties for regions funds in their future.

Today in this place during question time the Minister for Regional Development—who was in the chamber but is not now; I wish he was, so I hope he is listening—referred to the Peel region and the contribution that the Peel region makes to the mining royalties of this state. It makes the third-highest contribution in mining royalties. In his answer during question time today, he said that the Peel region is sometimes, and, in fact, more often than not, not widely known by other people in this state for its contribution to the royalties of the state. The Peel region has Alcoa, the Boddington goldmine and the operations of Iluka Resources Ltd. All those operators make a significant contribution to the royalties that go into the coffers of the state government. When the minister spoke about those communities outside the metropolitan region, he referred to them getting a fair go. Then he decided to bring out a piece of piffle.

**Mr R.F. Johnson:** Piffle?

**Mr D.A. TEMPLEMAN:** It is absolute piffle. What is it? It is the Country Age Pension Fuel Card for people in the non-metropolitan, rural and regional communities of Western Australia.

**Mr T.K. Waldron:** Do you support the railway down there?

**Mr D.A. TEMPLEMAN:** I will come to that. This is where the minister got mixed up, and I will tell him why. He has left out the City of Mandurah and the other important area in the Peel region, the Shire of Serpentine-Jarrahdale. One of the criteria for the fuel card relates to access to public transport. Now I will respond to the Minister for Sport and Recreation's question. The major regional cities, centres and towns that have a public transport service include the Town of Northam, which is linked to Perth by the *AvonLink*, a public transport system; and the City of Bunbury, which is linked by the *Australind*, a public transport system. The minister has just asked me whether those two localities are included in the fuel card scheme. The answer is yes, they are. Is the City of Mandurah connected to Perth by a rail link? Yes, it is. Is Mandurah included in the fuel card scheme? No, it is not.

Another criterion for the fuel card relates to quality access to public transport, including buses. In the City of Geraldton there is a public bus service, which is run by a private contractor. The City of Geraldton has a public transport system, but pensioners who live in that community are still eligible for the Country Age Pension Fuel

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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Card. The City of Bunbury has a public transport system and its pensioners are still eligible for the Country Age Pension Fuel Card. I have just mentioned the Town of Northam. The problem is that in the City of Mandurah, part of which is in the member for Dawesville's electorate, a number of localities simply are not serviced by public transport at this time. In fact, there are more localities that are not serviced by a direct bus service in the member for Dawesville's electorate than there are in mine. Those localities include old Madora Bay; the northern part of Lakelands; parts of Greenfields; some parts of Coodanup, including the locality of Mariners Cove, which is in the member for Dawesville's electorate; Herron, which is further south; Parklands; and Park Ridge. The country pensioners in Mandurah and Dawesville and in the Shire of Serpentine-Jarrahdale have made a legitimate claim that they should receive a fuel card. I will read from a letter written by a person in the Deputy Premier's electorate. He is very ropeable about this and is part of a campaign to ensure that the Minister for Regional Development reviews this decision. The minister has said that Mandurah is part of the regions for the purposes of the royalties for regions process.

**Mr T.K. Waldron:** Are you happy with that?

**Mr D.A. TEMPLEMAN:** Absolutely. Last year I put out a press release—I should have sent the minister a copy of it—stating that I was really pleased that Mandurah had been recognised as part of the Peel region. I support that. However, the Minister for Regional Development has created a situation in which Mandurah is included for some things but not for others. I am saying that consistency must be shown, and that that consistency must be demonstrated by including Mandurah in the fuel card scheme. The member for Dawesville has a very good constituent, Mr Meakin. I am sure that the member for Dawesville has received a letter from Mr Meakin. He is ropeable about this and I do not blame him. He quotes the Minister for Regional Development's speech about royalties for regions to the University of Western Australia on 16 December last year. He also quotes the speech of the member for Dawesville in 2005, in which the member said —

It is not easy when one is elected to represent an area outside the metropolitan area. I am now living in Mandurah.

I do not know whether the member lives in Mandurah, because he said in a debate a few weeks ago that he had been living in Dianella for the past 40 years. The point is that the Minister for Regional Development has decided on an arbitrary boundary based on a premise that ensures that all the people in the City of Mandurah, including those in the electorate of Dawesville, which stretches down to Lake Clifton, are not eligible for the Country Age Pension Fuel Card, despite the fact that many of them not only fit the criteria, but also could argue that they do not have direct access to public transport, as is quoted in the minister's flyer. Who is eligible for the fuel card? Country age pensioners do not generally have ready access to extensive public transport. One could argue that pensioners in the towns that I have already mentioned—Bunbury, Busselton, Northam, Geraldton and Kalgoorlie—have access to a public transport system. The argument might be about the adequacy of the transport system, but they have access to a public transport system. The minister has, with the stroke of a pen, discriminated against the pensioners who live in Mandurah.

I want to read to the minister one example of a person who would have been —

**Mr B.J. Grylls:** Do you think that Mandurah should be included?

**Mr D.A. TEMPLEMAN:** Absolutely. If the minister had been here earlier, he would understand what I have just said. However, I have here a letter from Mr Brian Mills who lives in Meadow Springs. I hope the minister will listen, because I have written to him about this case which demonstrates a preconceived view of people who live in Mandurah. Mr Mills writes —

In ref. to the pensioner concession fuel card, & your recent concern in the press; I am writing this letter to see if you can be of any assistance in my case; and if there were any special concession on medical grounds. I have made enquires to the relevant govt. dept. to enquire if Mandurah is eligible, I was advised that it was not; because of public transport being available.

This next bit is important —

In my case I have a medical condition called mylodysplasia [a blood condition], because of low immune system I have been advised by doctors to avoid public forums & public transport where possible, because of the risk of all types of viruses; & my inability to recover normally.

I travel to Fremantle hosp. regularly to see a heamatologist & to have the condition monitored.

I also attend the urology & eye clinics.

I do find the vehicle travel & parking costs a financial burden.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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I am hoping that you may be of some assistance to me & of any other cases in this area.

This gentleman is only one example of many from both the seat of Mandurah and the seat of Dawesville. Many of these people have to travel to Perth for their medical needs. Many of them are travelling for cancer or heart treatments or for an appointment with a specialist. Many of them travel to Perth, as does this gentleman, for very specific medical conditions.

**Mr M.J. Cowper** interjected.

**Mr D.A. TEMPLEMAN:** Yes; and the buses provided by the health department are always full. I know Eva and Mark Levis, who live in Mandurah Gardens Estate, and they have been unable to get on the bus; therefore, it cost them \$93 last Friday to have a volunteer drive them to their medical appointments in Perth. Some members, particularly the minister, would tell these people that they have access to a train or to a bus. However, the last thing we should expect cancer patients who are ill with low immune systems to do is to sit on public transport. No direct service operates from my electorate to Fremantle—a bus links the city to Fremantle via Rockingham in a trip that can take up to two hours one way. If the minister is assuming that people in this type of medical condition should travel in this way, he is devoid not only of compassion but also understanding.

[Member's time extended.]

**Mr D.A. TEMPLEMAN:** These are real people, many of whom are pensioners on fixed incomes. When a pensioner must find \$93 to travel to Fremantle privately or to Royal Perth Hospital or somewhere else for a specialist appointment, it cannot be dealt with by simply telling them to use the bus or train. A person who lives in the most southern part of Mandurah, in the member for Dawesville's electorate, is already up to 20 to 30 minutes away from reaching the train station to get out of the City of Mandurah to travel north.

The minister's decision to leave out the City of Mandurah and the Shire of Serpentine-Jarrahdale from this program is, in my view, based on his perception of the public transport services provided to my electorate. I believe the Country Age Pension Fuel Card is fine as long as it is being given out equitably; in this case, it is not. The ridiculous situation in my electorate of Mandurah is such that the nearly 400 people who live on the western side of the Serpentine River in the Mandurah Gardens Estate are not eligible for the minister's fuel card. Many, if not most, of those people are pensioners. I have looked at the age list and most are over the age of 75 years.

**Mr B.J. Grylls:** How far is the train terminal?

**Mr D.A. Templeman:** Does the minister know that the public transport bus from Furnissdale passes that estate three times a day? It travels on a busy road, the Pinjarra Road, which will get even busier when the Perth-Bunbury highway is connected.

**Mr B.J. Grylls:** So we have three buses a day going to the train station.

**Mr D.A. TEMPLEMAN:** The bus route deviates through another suburb, but it is all they have. I would not say, and I would challenge the minister to say, that those people have the same sort of bus service as that provided to people who live in Bunbury or Geraldton. In fact, I suspect that someone living in Bunbury or in Geraldton would probably have a better service—and they get the card!

We have 400-odd people in this situation living on the western side of the Serpentine River. If we walk less than 400 metres across the Serpentine Bridge, we find that people who live in the Shire of Murray will get a Country Age Pension Fuel Card. I do not begrudge them this. These people are still in my electorate. I have this ridiculous situation in which some constituents in my electorate will get the fuel card, yet a huge number, the overwhelming majority, will not get the fuel card. I do not begrudge those who will receive the card. In fact, I will write to them to encourage them to apply for the card. However, I will fight this and will raise this issue at every possible juncture to have the minister revise this policy decision, because it is discriminatory. I will present petitions to this place highlighting why this is a concern.

In the short time left before the dinner suspension—albeit I will continue after dinner because I am really revved up—I want the minister to take my point on board. I want everyone in this place to take on board that until a government, be it Liberal or Labor, puts Mandurah into the Perth metropolitan region—which it is not—I will argue in this place that the City of Mandurah is a regional city. Do not tell me that Mandurah is regional for some things and not regional for other things. That is both discriminatory and wrong. It is absolutely wrong!

**Mr B.J. Grylls:** Is it discriminatory for the other people who did not get a train? Was it discriminatory that a train went to Mandurah? Was it discriminatory to Mullewa that it did not get a train?

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr D.A. TEMPLEMAN:** The minister has a problem. I would love to see a rail system to a number of our regional centres, as used to be the case. Decades ago there were rail systems to Albany and to Geraldton, and the passenger rail system to Kalgoorlie was a much more frequent service than is the current operation. I believe in connecting communities. We must treat Mandurah and my region in the same way that other cities in regional centres throughout Australia are treated. Do not tell the people of Gosford that they are part of Sydney. Those people are part of a community outside Sydney. Yes, they have a rail system, as does Newcastle which is some 120 kilometres from Sydney. However, a person who says that a Novocastrian is a Sydney-ite will have his head kicked in, and so he should, because people from Newcastle have a very strong regional identity. Do not tell people from Geelong that they are part of Melbourne. Geelong is a big regional city some 80 kilometres from Melbourne that is connected to Melbourne by a rail system and major highway, as is Mandurah to Perth, and as Bunbury will be when the Perth-Bunbury highway is completed in about two months. The Minister for Regional Development should not come in here and throw such comments at me when he has a man sitting on his side of the house representing the City of Bunbury —

**Mr G.M. Castrilli:** And a good city it is, too!

**Mr D.A. TEMPLEMAN:** Good on them. Yes; it is a great city. But when the Perth-Bunbury highway is connected, the city will have a much more direct connection to Perth than is the case with Mandurah. I do not begrudge the people of Bunbury that at all; I think Bunbury is a wonderful place. All I am saying is that one cannot take the view that Mandurah is regional in one case and not in another. The boundary is the Perth metropolitan region.

**Mr M.J. Cowper:** They do not get free travel to Perth.

**Mr D.A. TEMPLEMAN:** They should if the fast-rail is connected; I would have no problem with that.

**Mr M.J. Cowper:** The *Australind* travels twice a week, as the member knows, and you have to book two weeks in advance and have to pay for the service.

**Mr D.A. TEMPLEMAN:** Does that not tell members all about that system? It is obviously in demand.

**Mr M.J. Cowper:** It's about time we got a new train system.

**Mr D.A. TEMPLEMAN:** Probably it is, and maybe the member for Murray-Wellington should lobby his colleagues about that.

It is about time that members in this place understood and treated the people of Mandurah with respect.

*Sitting suspended from 6.00 to 7.00 pm*

**Mr D.A. TEMPLEMAN:** I am very pleased that Mr Speaker is in the house today.

**The SPEAKER:** I thank the member for Mandurah.

**Mr D.A. TEMPLEMAN:** It is always good to see Mr Speaker in the chair. I am also very pleased to continue the remarks I started before the dinner break. During those remarks I had been building a very strong argument about Mandurah, and why pensioners in Mandurah should be eligible for the Country Age Pension Fuel Card. I will move on from that point because I only have six minutes left in which to speak.

One of the things I need to highlight to this place is that I was absolutely horrified to see that the Meadow Springs Primary School had been left out of the budget. The school would have serviced the growing communities north of the Gordon Road area of Mandurah, which is the north Mandurah area, taking in the localities of Meadow Springs, San Remo, Madora Bay—both the old town site of Madora Bay and the new subdivision—and of course the burgeoning suburb of Lakelands, which is the northernmost locality of Mandurah. Those areas were promised a badly needed primary school. A huge number of families are moving into, or are already living in, Meadow Springs, but the Lakelands area in particular is growing at a great rate. The Meadow Springs Primary School is not listed in the budget papers. I will be taking this up not only with the Minister for Education, but also very publicly with my electorate. It is disgusting that this government has decided to not include Meadow Springs Primary School as one of the schools to be built over the next four years.

I will tell members why it is disgusting. In two short months we will see the completion of the Perth-Bunbury highway, which of course will take traffic on the eastern side of Mandurah but it will also place huge traffic pressure on the already busy Gordon Road. Currently, all children living north of Gordon Road in the localities I mentioned do not have a state primary or high school to access. That is a grave concern to me, particularly as that means that many of those children will have to cross the already busy Gordon Road—there is an overpass, but it is a dangerous crossing anyway—or they will have to be driven by their parents, guardians or carers to the

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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schools that already exist south of Gordon Road. This is of grave concern to me as a public safety issue, as well as an education issue. Because this is so important, I draw Mr Speaker's attention to the numbers in the house.

**The SPEAKER:** Members, we do not have a quorum. Ring the bells.

[Quorum formed.]

**The SPEAKER:** We do have a quorum now that the member for Murray-Wellington is present.

**Mr D.A. TEMPLEMAN:** I am pleased that we now have a quorum, because I have only three minutes left to conclude my remarks. I am glad the member for Murray-Wellington has come in, because this area that I am talking about north of Mandurah is an area that he represented before the changing of the boundaries before the last election.

It is absolutely critical that Meadow Springs Primary School is built. I will be taking this up to the highest place. I am glad to see a few of the National Party members have returned to this place to listen to me speak with three minutes to go! They, of course, will now be held to account for their lack of recognition of the people of Mandurah, particularly the pensioners in the City of Mandurah, who have had their faces slapped by the National Party, which has not included them as legitimate, eligible recipients of the age pension fuel card. I will be pursuing this to the highest authority, do not worry about that! Do not worry about that. Oh goodness gracious me, do not worry about that!

The Meadow Springs Primary School was left out of the budget, and I am glad to see the Minister for Education is in this place. The education minister has left this school out of the budget. This was a disgusting, outrageous thing done by her government.

The government has also left off the Lakelands railway station that I wanted. The railway station in Lakelands is a critical piece of infrastructure, but this government does not care about Mandurah. It does not give a toss about my people. It does not give a toss about my pensioners. It does not give a toss about the people who need to access public transport and another railway station. I can see what will happen next: it will start to penalise the people of Mandurah because they happened to vote for me. The government is penalising me. It is discriminatory! Members opposite are disgusting and discriminating members of Parliament. The government's ministers have no idea of the needs of people living in the regions, and in particular people who happen to be living outside the metropolitan boundary.

Minister for Education, I want my Meadow Springs Primary School put on this list—cut and pasted if it has to be! Put it on! It is absolutely abhorrent that that school is not being funded over the next four years. This budget is a disgusting, disgusting budget! It demonstrates a total lack of vision and it demonstrates a total lack of understanding of the needs of the people of Western Australia. The government is burying us in debt. It has been bailed out to some extent by the federal Labor government, but it has demonstrated its ineptness in controlling the Treasury benches in this place! It will rue the day that it left out Meadow Springs Primary School and the Lakelands station in Mandurah!

**MS M.M. QUIRK (Girrawheen)** [7.07 pm]: I thank Mr Speaker—I almost called him “Mr Squeaker” again!

**The SPEAKER:** My mother does not know the member for Girrawheen, so I think she may be safe!

**Ms M.M. QUIRK:** When reflecting on what to say in my contribution to the second reading debate on the budget speech about the achievements of ministers and the government, I was reminded of Isaac Newton's third law. For those who did not study physics, that law states that for every action there is an equal and opposite reaction. I consider that the Minister for Police has defied physics. He is living proof that this immutable law is not universal. If I may be so bold, I wish to propose a new principle that I think best sums up what has been achieved by the minister in the portfolios of police, emergency services and road safety since his election—that is, for every reaction there is an equal and opposite inaction.

Several members interjected.

**Ms M.M. QUIRK:** By this, I mean that whilst in opposition, the minister had a notorious reputation for his shoot-from-the-hip reactions. He had a gratuitous solution for every issue. He was promiscuous in promising that he could and would fix every vexing problem in law and order. Now that he is in government, the minister has failed to follow through. The legislative agenda has stalled. This Parliament has not been burdened by bills introduced by this minister; instead, the only bill introduced and passed was the bill related to medical expenses for former police officers.

This was supported by the opposition and, in fact, had been drafted during the previous term of government.

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With the indulgence of the house, I want to chronicle the lengthy list of the minister's promises that are, as yet, unfulfilled. Before doing so, and in the interests of balance, I should at least outline what the minister has done. The minister has issued 106 media statements. He has installed a mobile speed hump in Woodvale, with the promise of more to come. He has promised to retain the Western Australian Police Pipe Band. He has put the bite on the Australian Customs and Border Protection Service for one passive drug detection dog.

**Mr R.F. Johnson:** Are you against the pipe band?

**Ms M.M. QUIRK:** I think there is enough hot air in here already, member for Hillarys.

This dog has recently finished its training. The minister has also announced his intention to double the number of red light and speed cameras. This is despite the fact that the expert Enhanced Speed Enforcement Committee is yet to give its recommendations to him on future speed-enforcement options.

**Mr R.F. Johnson:** Are they yet to?

**Ms M.M. QUIRK:** That is my understanding, minister.

As promised in his election commitments, the rural crime squad has been reinstated; however, unlike its previous incarnation, the rural crime squad is staffed not by police officers but by public servants from the Department of Agriculture and Food. I am sure that these individuals are conscientious, and I know that they know the difference between an Angus and a Charolet bull, but it is arguable that their knowledge of the laws of evidence and of criminal procedure will be somewhat rudimentary. In addition, the minister has tabled in parliament the Towards Zero road safety vision for the next 12 years. We need to question whether the "zero" stands for zero commitment or for zero funding.

**Mr R.F. Johnson:** What does it say in your speech there—the speech that you are reading?

**Ms M.M. QUIRK:** The minister has kept us in state of Hitchcockesque suspense about the budget for many months. We now know, however, that he has finally and unequivocally pledged to the Perth police complex after months of speculation. We will deal next week in the estimates committee debate with whether or not the minister has provided enough money—and the amount of money that the police asked for—and I think we will find that the allocation is deficient.

The minister also presided over a three per cent efficiency cut in the police budget. Again, next week in estimates, we will drill down on what is expected to be achieved for that. The minister has axed Secret Harbour Police Station and the Carnarvon police and justice complex, and he has made a capital provision of \$24 million for a new police helicopter, although Western Australia Police has to sell some land before that can occur.

**Mr R.F. Johnson:** No, not before that can occur! Get your facts straight. That is the trouble!

**Ms M.M. QUIRK:** Western Australia Police has to sell the land in order to recoup the money to pay for the helicopter. It is, however, unclear how it will meet the recurrent costs associated with running the helicopter, and where that money will come from.

The minister has also announced with his colleague the Attorney General —

**Mr R.F. Johnson:** This is a nasty attack against me. I am feeling quite hurt here.

**Ms M.M. QUIRK:** Mr Speaker, I have had to listen to the minister at length at question time today and I am not minded to take any more interjections from him.

**Mr R.F. Johnson:** We prefer that you did not read your speech either, because that is against standing orders.

Several members interjected.

**The SPEAKER:** Member for Girrawheen, take your seat. Members, this is the budget debate. I want to hear the member for Girrawheen. She has notes that she can use. I respect that. Most people use notes in this place. How she uses them is her decision. I do not want to hear any more references in this place about whether she is reading from them. I do not want to hear other people in this place on either side of the house taking part in what should be the member's reply.

**Ms M.M. QUIRK:** Thank you very much, Mr Speaker.

The minister has also announced with his colleague the Attorney General a raid on the criminal property confiscation fund of \$3.45 million over three years for investigation of organised crime, and in particular bikie crime. I commend that. However, I think that investigating organised crime should be core business, and these

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funds should not be at the whim of government, and they should be recurrent and not allocated as a quick and transient fix.

Also, the minister, in order to meet his election commitment—I commend him on meeting this commitment—has re-established the Graffiti Taskforce. I alert members in the chamber, and I note there are a few, that although this is a committee, because committees are anathema to the Premier, it is codenamed a task force. In the context of the Fire and Emergency Services Authority of Western Australia, the minister has announced funding for the Fire King helicopters for the summer fire season—I congratulate him for that—and, after some prevarication, the minister has settled the firefighters’ enterprise bargaining agreement.

Now, onto the sins of omission of the minister. Firstly, as part of its election commitments, the Liberal Party promised 500 police officers. However, in order to save money in the budget, this has in fact been watered down to 350 fully trained police officers and 150 auxiliary police officers. Anyone who looks at this would regard it as a cynical ploy that should be viewed with some suspicion. In principle, I have no objection to deploying auxiliary police officers where appropriate, but any attempt to pass them off as fully meeting this election promise is downright dishonest. The use of auxiliary officers will, of course, require the passing of a police administration act. In any event, that is required to be introduced to modernise practices within the service, and by and large is something that we would support. As members will come to realise as I proceed to the minister’s antecedents, it does not augur well for the swift introduction into Parliament of the necessary laws to install these auxiliary officers. Also, the rationale in the budget papers for the use of auxiliary officers is not for any operational reasons but, rather, because of the efficiency dividend. The undertaking that the three per cent efficiency dividend would not impact on front-line services is a huge fiction.

In December 2008 the minister promised —

... we will introduce tough new anti-hoon laws that will see:

- Vehicles impounded for three months for a second offence;
- Vehicle confiscation after the third offence;
- If a vehicle is confiscated, proceeds from its sale will go to the Road Trauma Trust Fund. Vehicles of little value may be crushed.

We are yet to see any legislation to implement these promises.

Also in December 2008—members may realise that was the 100-day anniversary of the election of the government, and the minister was very active—the minister announced, “Police stations of Cranbrook, Wickiepin and Dumbleyung will be re-opened as the Liberal-National Government continues to honour its election promises.” As yet, none of these three stations is open, and the stations at Menzies, Trayning and Gascoyne Junction remain closed despite an election promise to reopen all country stations that had closed. I also note that in the budget the time frame for reopening the stations is over four years, so the three stations that members opposite promised may open in the next four years.

On 3 December 2008, the minister indicated in this place that the new Perth Fire Station in Wellington Street would soon be in service. It is yet to open, in May 2009!

In February this year the minister, in response to an inquiry about giving police random search powers for weapons in areas such as Northbridge, stated —

I hope to have a Cabinet Submission on these powers ready sometime next month. In relation to penalties for weapons offences, WA Police are currently compiling some of their preferred priorities in this area.

I repeat: that was in February this year.

We are still waiting to see those laws. What compounds this lapse is that the opposition introduced legislation to achieve a similar outcome and, as late as last week, the minister said he would not support it. Again in April the minister said about random search powers —

I have said from the outset that these laws are a priority for me and they remain so. Police are now well advanced in progressing this legislation.”

On 23 February this year the minister confided as follows —

I have also flagged plans for the immediate licence suspension of drivers recording a BAC of 0.08 or more on evidentiary tests.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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Again, we are still waiting for further details.

On 6 March 2009 the minister said —

I have also announced plans for much tougher hoon legislation which I hope to have before Parliament as soon as possible.

Can members see a possible theme emerging? To continue —

This will allow police to impound vehicles from hoon drivers and even crush those vehicles if the drivers continue to offend.

As for any idiot who steals a car and leads police on a high-speed chase, I would certainly hope they would face the very real prospect of jail time.

There has been not so much as a skid mark.

In late April 2009 the minister said —

I have also flagged laws which will see a lifetime driving ban on anyone who kills someone while driving under the influence of alcohol or drugs as well as mandatory roadside suspension of licences for drivers who go over the legal blood-alcohol limit.

Today I received an answer to a question on notice about covert operations legislation. I asked whether the minister supported the introduction of these laws. Members can guess what the answer was? It states —

Subject to Cabinet endorsement and consideration to the urgency of other Government business, it is my intention that this legislation will be introduced in the upcoming Spring sitting of Parliament.

All I can say is that members will be very busy.

These are a representative sample of the policy agenda items that the minister highlighted to the media that he considered to be of some priority. Some would say in the minister's defence that there is a certain elasticity committed when dealing with the media. I certainly do not subscribe to that school of thought. In any event, closer to home, the minister has made a number of pledges in this house. In November 2008 he resolved to clarify the future of police and citizens youth clubs. In March this year the minister said he was waiting to receive a submission before making an ex-gratia payment to police officer Matt Butcher. Also in March this year the minister indicated that regulations for the control of security guards were to be drafted. In April this year the minister indicated that firearms laws were under review.

Even if the minister has some licence to use hyperbole with the media or in this place, what is even more serious is treating Western Australians with contempt. That is on a whole different level. Despite this, in its election promises the Liberal Party promised to provide two additional drug buses. However, this has been pushed out to the fourth year in this budget. Also, the Liberal Party's pledge to fund the regional radio network has been disregarded. This is very much at odds with the spirit of the royalties for regions program. Surely putting regional police officers on the same footing as those police officers working in the metropolitan area is fundamental to service delivery in the regions, not to mention that police officers serving in remote and regional Western Australia are placed at personal risk by not having a good, reliable communications service and having to rely on the ageing and unreliable network.

On reflection, I have been a little unfair in my comments about the Minister for Police. I said at the outset that he defied the laws of physics, and I should retract that assertion. In fact, the minister is a perfect exemplar of Newton's first law. This law states that an object at rest tends to stay at rest and that an object in uniform motion tends to stay in uniform motion unless acted upon by a net external force. This is more commonly known as the law of inertia.

I take my role as opposition spokesperson very seriously and I vow, consistent with the law of inertia, that I will continue to vigorously exert the external force necessary to galvanise the minister into some tangible and meaningful action.

**MR V.A. CATANIA (North West)** [7.25 pm]: I have been waiting for this budget since the election to see what this government had to offer.

An opposition member: Nothing.

**Mr V.A. CATANIA:** Yes, exactly nothing.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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In my electorate I have been hearing about all the promises that the Liberal-National government made but have not honoured. The government describes itself as the Liberal-National government because neither party wants the other party to gain any advantage.

I had two concerns for my electorate before the budget was handed down. Given that we have a global financial crisis, I was concerned that a lot of the projects would be pushed out because the government needs to save a dollar. We heard the Treasurer talk about the government needing to save a dollar, and he alleged that he has saved \$7 billion out of the budget. I was concerned that a lot of the projects for my electorate would be pushed out. My other concern was that I was hearing noises about royalties for regions and how wonderful it was and how much the Minister for Regional Development would deliver to my electorate—the North West, which goes from Shark Bay to Karratha across to Meekatharra.

After listening to the Treasurer deliver the budget last week and looking through the budget papers, I was absolutely gobsmacked that the Gascoyne region in my electorate had got nothing and the promised projects had been slashed out of the budget. I thought that the communities of Carnarvon, Shark Bay, Exmouth and Gascoyne Junction would be up in arms over this budget. I was correct. I have received a large number of phone calls from people and have spoken to a large number of people who are absolutely gobsmacked because of the projects that had been promised but not delivered. More importantly, projects that had been committed to by the previous government have been cut in the budget. I thought that that could not be right and that those projects would be pushed out. I understand that projects can be delayed. However, these projects are not included in the forward estimates for this year, next year, the year after or the year after that. I am talking about very important pieces of infrastructure for which the communities I represent have fought so hard. Even as a member in the other place for the Mining and Pastoral Region, which covers this area, I worked extremely hard to lobby the previous government. I had to convince my colleagues. I tested some of the friendships that I have in this place over these very important infrastructure projects. One project, for which 86 per cent of the community voted, was to shift a major piece of infrastructure—the Carnarvon Police Station and courthouse. The Labor government committed to a \$38 million development and had commenced the process.

I will provide some background to this. Carnarvon has a waterfront, which is called the fascine. On that fascine are government buildings. The purpose of town schemes and 2020 vision is to look at ways in which communities can grow and take advantage of great tourism opportunities, and the fascine was a result of that. The police station and courthouse complex is located on a prime piece of real estate on the fascine that could be used for future tourism development. It could perhaps be used to build a hotel or bars, restaurants and so forth and create some more business opportunities for the town.

In 2005 the community lobbied the Gallop government to move the police station-courthouse from the fascine to another location, which the Gallop government agreed to. That was fine, but we obviously had quite a few locations to choose from, one of which was the Traders site. The government did not originally agree to shift the police station-courthouse to this site. I lobbied my colleagues and I conducted a survey in the community. Eighty-six per cent of the community wanted the police station-courthouse shifted to the Traders site. We later had a change of leaders. Former Premier Carpenter came to Carnarvon for a community cabinet meeting and decided that the government would relocate the police station-courthouse to the Traders site. The Carnarvon community had a grand vision to make that site the centrepiece of the entry to Carnarvon. The community fought very hard to ensure that that \$38 million project went ahead.

Prior to that, articles appeared in the paper reporting Hon Norman Moore, Hon Ken Baston and I think Hon Wendy Duncan as saying that they supported the police station-courthouse being moved to the Traders site. Given that 86 per cent of the community wanted it at this particular spot, I thought that the new government would support that move. With reports in the media suggesting that honourable members from the other place also supported it, I thought it was a foregone conclusion. I thought there could perhaps be a delay if the forward estimates were pushed out a bit further, but not one dollar was allocated to the Carnarvon police station-courthouse complex. The government has cancelled plans for a major piece of infrastructure. It is a lot of money to be spent on a police station-courthouse. The importance of shifting that complex from a very important piece of land known as the fascine is crucial to the township of Carnarvon if it is to grow and attract private investment. That was the whole purpose of shifting the police station-courthouse. The people of Carnarvon will remember this. They have plenty of things planned to try to convince this government. They will not give up. I will not give up as the local member. I will make sure that the police station-courthouse is relocated to the Traders site. I will put a proposal to the new government that the community will build the complex at the Traders site to save it money, as long as the government rents it. It can put that money into operational programs

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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for the police department. We will work on that proposal because we cannot see a way forward with this government. The so-called royalties for regions program has failed the Gascoyne community. I have spoken in this place and the other place about this very important project because it is the catalyst for other projects to go ahead. We need to generate private investment in these regional towns.

Another project that was underway was stage 2 of the Carnarvon Regional Hospital. I asked the Minister for Health a question about this last week and he would not give me an answer. He told me to wait and see, saying it would be two more sleeps or one more sleep, I cannot remember, trying to fob me off. The second stage of the Carnarvon hospital, for which the previous Labor government allocated funds in the forward estimates, was a \$6.7 million development. I thought that might be pushed out a little bit, perhaps by one year. It is gone; it has been cut out of the budget. Not one dollar will be spent on this project over the next three or four years. A public dentist was going to be part of that second stage of the hospital. Carnarvon does not have a public dentist.

**Dr K.D. Hames:** I'm going to go cap in hand to the Leader of the National Party asking him to save me and give me the money out of his budget.

**Mr V.A. CATANIA:** There lies the problem. The government is going to waste money from royalties for regions that should be going into other things, not health, education and police. An amount of \$6.7 million that was set aside for Carnarvon hospital has been wiped out. The public dentist that was going to be in the hospital is gone.

What did the Gascoyne get? We allocated \$69.7 million in last year's budget for a state-of-the-art power station. The reliability of power in Carnarvon is a problem. We often have power surges, which cause problems with appliances. A lot of people's televisions or air conditioners often blow up. My office is in the shopping centre. We constantly have blackouts, which affects the operation of the internet, phones and air conditioning. The proposal for a new power station was well received by the community last year. I did not think the government would cut that because it is a very important piece of infrastructure. I thought it might be pushed out. What was a \$69.7 million power station project is now \$1.3 million in the 2009-10 budget. That \$69 million project is gone. A total of \$111 million has been taken out of the Gascoyne. The Minister for Regional Development gets up —

**Dr K.D. Hames:** They need to get themselves a good member!

**Mr V.A. CATANIA:** I was a good member in the Mining and Pastoral Region. I ensured that these projects got the attention of the government of the day, and the government listened to me and it delivered. The minister is taking projects away from the community. The Minister for Regional Development smiles and laughs. The next time he goes to Carnarvon, he will be mobbed by his own people who supported him. I was struggling to find where a dollar had been spent in the Gascoyne.

**Mr B.J. Grylls:** You haven't said much about Karratha yet.

**Mr V.A. CATANIA:** The minister should wait; I will get there. That is another example of smoke and mirrors.

I saw that \$500 000 had been allocated to the Gascoyne food bowl. What will that do? We have \$111 million being taken out of the budget. I am glad to see the Minister for Agriculture and Food in the chamber. The growers need to upgrade their irrigation systems. I believe that there was about \$3.5 million in the budget and that the federal government had allocated roughly \$6.3 million to upgrade the irrigation system for the growers in Carnarvon. It is a very important piece of infrastructure. We have reliability problems with the power system. If the irrigation system is upgraded, it will take some of those issues away when we have heatwaves in Carnarvon, when people have to water their plantations and so forth, which places immense stress on the ability to pump water around and also on the power system. I cannot see that the state government has allocated any money to deliver a new and upgraded irrigation system that the growers desperately need. What I have heard from the growers and seen in documents that we have obtained through freedom of information is that the government, particularly the Minister for Agriculture and Food and the National Party, wants to double the size of the Carnarvon growers area. It wants to possibly increase their space by 800 hectares. It is saying to the community that if it wants the irrigation system upgraded, it has to double the size of its horticulture district. Growers do not want expansion. They want their irrigation system, but they do not want a gun held to their heads and to be told that if they want the irrigation system, they have to expand. We all saw what happened in the Murray-Darling when over-irrigation occurred. It causes problems with the water.

When I went to Canberra and saw Senator Penny Wong, the Minister for Climate Change and Water, I asked her office staff about the \$6 million allocation and her office said that it was allocated on the condition that there would be no expansion. That is because we must protect the water supply and the growers who are already there. There is a limit to how much we can expand. We do not want the Macquaries to come into the Carnarvon

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horticultural district and cause problems. It is a very productive district and it is the backbone of the Carnarvon and Gascoyne community. A gun is being held to the head of the growers because they will not get the irrigation upgraded unless they agree to the expansion of the horticultural district, which will cause a huge amount of pressure on the water supply and on the smaller growers. The big multinationals will come in and dominate the area. That \$500 000 I referred to is the only money in the budget that I could find for the Gascoyne.

I am glad that the Minister for Regional Development mentioned Karratha because we hear a lot of statements about Karratha, such as that \$300 million will be spent in the Pilbara. That sounds like a lot of money, and it is a lot of money over four years. When it is broken down town by town, what will my town, Karratha, but also Roebourne, Dampier, Wickham and Point Samson get? All I could find in the budget was money for a leisure and learning precinct. Perhaps the minister can correct me. Is the government putting \$22 million or \$23 million into the precinct?

**Mr B.J. Grylls:** I am happy for you to continue making a fool of yourself by not knowing what you are talking about.

**Mr V.A. CATANIA:** The projects in the budget were underway by the previous Labor government. I thank the Minister for Education for lobbying on my behalf and on behalf of my constituents for continuing the Karratha Senior High School stage 2 upgrade and also for continuing with the plans that we had for Karratha Primary School, because the centrepiece of the “Karratha 2020 Vision and Community Plan” was to have an education precinct.

[Member’s time extended.]

**Mr V.A. CATANIA:** That is the centrepiece of the 2020 vision, which was started under the previous Labor government. In last year’s budget, we announced a \$102 million precinct. It is great to see the Minister for Education and this government continuing those two vitally important projects for the Karratha community and the Shire of Roebourne. We are seeing also the continuation of the establishment of the Karratha TAFE metals and automotive building, which will cost \$2.4 million and was started under the former Labor government.

The Dampier Highway is a very important road. Unfortunately, several deaths have occurred on that road over the past few years. It is great to see that the state government has continued the funding that we had provided for in last year’s forward estimates for the duplication of that vital road, given that so many people use it.

When I looked at the budget, I wondered what was actually to be spent in Karratha. During the election, the Liberal Party announced that it would give \$10 million to Nickol Bay Hospital. Everyone thought that was great because managing the health system is a problem. I will not shy away from that, and I hope that this government can fix it. We all know the amount of wealth that is produced in the Pilbara. The Pilbara deserves to have state-of-the-art health facilities. I hope that the government, through the Ministers for Health and Regional Development, works out how to resolve some of the health issues in the Pilbara. I have some confidence in that, given that the Minister for Health is a former doctor. I have confidence also that he will address some of the issues up there. However, I was shocked to see that the \$10 million the Liberal Party had promised was to come under the royalties for regions funding. We can see a theme here. Correct me if I am wrong, Minister for Regional Development, but I thought that the royalties for regions funding was to provide funds to those projects that normally would not be funded by the government. Now \$10 million has disappeared that could have funded projects like upgrading the HMAS *Sydney* Wall of Remembrance in Carnarvon, more opportunities for leisure activities for children in Karratha, or a safe house in Roebourne, which is desperately needed. We are seeing the core business of government being funded by the royalties for regions. It is a great shame and it is a wasted opportunity. The Liberal Party has been let off. It should be —

**Mr P.B. Watson:** The \$60 million for Albany Regional Hospital is the same thing. It’s just shifting it.

**Mr V.A. CATANIA:** We are seeing a pattern. Everyone says that the government is giving \$10 million for Nickol Bay Hospital. The government is providing \$7 million for housing and \$2 million for the obstetrics ward. It costs \$2.4 million to replace the roof and it will probably cost \$2 million just to paint the building. The government is going to provide \$1 million for future planning. I thought that that money would be spent in the 2009-10 budget. However, I looked at the budget and saw that in 2009-10, Nickol Bay Hospital will receive \$3.6 million, in 2010-11, \$3.6 million, and in 2011-12, \$3 million. I am a bit concerned. Nickol Bay Hospital needs a lot more than \$10 million. Like I said, that will pay for a coat of paint for the front of the emergency department. This is a case of smoke and mirrors. The government is trying to portray itself as delivering to regional WA and to the Pilbara. I cannot wait to see the local papers tomorrow. When people have looked at the budget and asked what they have got, they will be thankful to the government for continuing the projects that

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were started under the Labor government—Karratha Senior High School, Karratha Primary School, upgrades to Dampier Highway and funding for the TAFE. What else did they get? They got a few dollars for underground power —

**Mr B.J. Grylls:** A few dollars!

**Mr V.A. CATANIA:** Roebourne and Point Samson already have underground power. We need only a few extra dollars.

**Mr B.J. Grylls:** It is \$100 million! That is not a few dollars.

**Mr V.A. CATANIA:** I am talking about Karratha. Can the minister tell me how much Karratha is getting out of the \$100 million? Smoke and mirrors. I am talking about Karratha. That is what I am concerned about. There is a few dollars for underground power, which is great. We have to take what we can get. The government has not even budgeted for the project that it listed as its number two priority for the federal government's Infrastructure Australia fund. That has not even been funded for in the budget, yet Karratha, Port Hedland, Newman, Tom Price and so forth are growing and are keeping the Western Australian economy alive. They will get this nation out of recession, yet there is no funding in the budget for the north west interconnected grid. That is paramount for the development that is needed for the Pilbara to grow. The Minister for Regional Development was in Karratha on Friday, and it was good to see him there. I am sure that people got in his ear and said that they wanted the north west interconnected grid.

**Mr B.J. Grylls:** Not one.

**Mr V.A. CATANIA:** The Chamber of Commerce and Industry of Western Australia has said that. I had a meeting at Point Samson that night with the executive officer of the Pilbara Regional Council. I told him that the Minister for Regional Development had told me that the Pilbara Regional Council does not want the north west interconnected grid. Does the minister know what the executive officer said to me? I cannot repeat it in this house! He said that members of the Pilbara Regional Council moved a motion in support of the north west interconnected grid. Who was the minister talking to? He comes up from the wheatbelt and thinks he knows everything. He says that he will deliver to regional WA through the royalties for regions funding. I was starting to believe that the National Party would deliver to regional WA over and above what we delivered, and I was beginning to get a little bit concerned. Thank you! Does the minister know what? He has just assisted not only me, but the Labor Party being re-elected, because, given the way the government is behaving, and the way people are seeing it, this is a one-term government. I, like my other country colleagues in this house—there are a fair few of us—believe in royalties for regions. I think everyone in this house feels that way. However, on paper it looks good, but the delivery of the process has seen my electorate of North West robbed. Projects have been cut. There is a budget surplus of \$409 million, and \$111 million of that has come out of the Gascoyne. Other towns such as Shark Bay will receive zero funding.

**Mr B.J. Grylls:** Wrong.

**Mr V.A. CATANIA:** Can the minister tell me what is being done for Shark Bay?

**Mr B.J. Grylls:** interjected.

**Mr V.A. CATANIA:** That was under the Labor government. Thank you.

**Mr B.J. Grylls:** Everything was under you. You haven't managed to cut anything. Seven billion dollars worth of savings were found and you haven't mentioned any of them.

**Mr V.A. CATANIA:** Oh, my God! The minister obviously ignores projects that the previous Labor government had commenced. I am glad it has kept a few but it has cut \$111 million of funding for Carnarvon. In Gascoyne Junction, 23 kilometres of road is to be sealed, the funding for completion of which was allocated in the 2009-10 Labor government budget. When we came into office, the sealing of the 169 kilometres had not even started. Since 2001, under the Labor government, 140 kilometres of that road has been sealed at a cost of \$21.3 million. There are now 25 kilometres left to seal. The police station has been closed, and the Minister for Police will not reopen it, despite giving a commitment during election time to do so. He said then that it was a political decision and now he says it is an operational issue. If that road is sealed, it will allow police patrols from Carnarvon to use highway cars to patrol Gascoyne Junction. That was cut out of the budget. I could find no funding for other towns. For the Murchison, nothing; Yalgoo, nothing; Meekatharra, nothing—not even any money towards sealing the Meekatharra-Wiluna road.

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One issue that is quite critical to Murchison towns is the Mt Magnet Police Station. I looked in the budget papers for funding for that facility. I do not think this government is looking very favourably on the police because it looks as though funding to all the police stations in the north west have been cut. The previous Labor government made a commitment to provide funding to rebuild the Mt Magnet Police Station to help attract and retain police officers and to deal with some of the social issues in that town, which impact also on other towns. Nothing at all is in the budget for the Murchison. Even Coral Bay has been left out. The minister said, "We'll fix up the workers' accommodation there." I have seen no resolution so far on the workers' accommodation in Coral Bay. The rural crime squad has not been reinstated, as the government promised it would be. The member for Albany touched on Skywest. The uncertainty surrounding regional air travel at the moment is very concerning.

The so-called royalties for regions were supposed to be flowing to regional WA. I say that the north west has missed out. Out of all the regional electorates, the North West has done by far the worst. What is the point of allocating even one dollar when health, education and police have to find three per cent in funding cuts? People in regional Western Australia want to be sure services are available so that they can see their doctor or the nurse, and teachers and police officers can be recruited. I cannot believe that this government, the Liberal and National Parties, have failed yet again. Prior to the Labor Party taking office in 2001, the regions were neglected. We had to build police stations, courthouses and hospitals and re-establish government departments in regional areas. Now we are seeing the opposite happen; government departments are being closed. For example, in Carnarvon, the Ningaloo sustainable office has been moved out of regional WA. Government departments are closing and moving out of regional Western Australia, and we are now seeing that affect service delivery from government departments in regional areas. I ask again: what is the point of royalties for regions if the government is giving a dollar and taking away \$20? The amount of \$111 million has been taken out of my electorate. I ask the government to please not do that to my electorate.

**MR P. PAPALIA (Warnbro)** [7.55 pm]: Following my esteemed colleague from the north west, my comments will be appropriate, particularly in light of his comments on the lack of funding for police stations in this budget. Possibly one of the most blatant and stark demonstrations of the dishonest nature of this government, particularly the minister who is responsible for police in this government, is to be found within my very own electorate of Warnbro. Let me outline a little of the history particularly given that, in this particular speech, I am safe from interruption from people who seem to have hair-trigger reflexes in their eagerness to interject and draw me back to the topic. I appreciate on this occasion being able to wander away from the specific topic a little.

**Mr M. McGowan:** There are a lot of hair triggers over there.

**Mr P. PAPALIA:** Yes, they have hair-trigger responses to my digressions.

On this occasion, I would like to tell a little bit of history about the Secret Harbour Police Station. I am very fond of the time at which it was announced; namely, in January-February 2007, in the lead-up to the by-election for the then seat of Peel. Like all good candidates, I was out doorknocking, canvassing the electorate, seeking to hear the constituents' concerns and how we might best confront and resolve them. In the course of doorknocking, it very quickly became clear that, due to the geographical layout of Rockingham and the nature of the population spread along the coast, there were concerns about delayed response times with police call-outs to the southern suburbs of Rockingham and the northern suburbs of Mandurah that were within the electorate of Peel, the seat I was trying to win at that time. The Peel electorate extended to the southern border of Singleton, which is the southernmost suburb of Rockingham. A mere stone's throw away in the electorate of the fine member for Mandurah is the suburb of Madora Bay. Both of these suburbs reflect the tyranny of distance as it plays out in the southern suburbs of Rockingham and the northern suburbs of Mandurah during any form of emergency response, particularly police call-outs to those suburbs. Regardless of the nature of the event or demand on police time, if a citizen in Madora Bay or Singleton calls the police and requests a response, there is a physical limitation on just how quickly the police can respond. If it is not an emergency, they drive down from Rockingham or north from Mandurah Police Station. The ultimate impact on the police themselves is that that vehicle and the individuals responding to the call are lost to the police station in the northern areas of Rockingham or the southern areas of Mandurah for the period they are in transit.

**Mr R.F. Johnson:** What do you mean by "lost to the police station"? Surely, you don't want to be stuck in a police station?

**Mr P. PAPALIA:** As the minister would no doubt be aware, these outer suburban police stations are not staffed at night-time. They get as many police as possible into vehicles and onto the road to ensure the maximum leverage for the resources. The minister is aware of this. It is a policy that was enacted under the previous government, and continues under the present government. It makes sense; it is the only practical way of making

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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the maximum use of the resources we have, which are always too limited to meet every possible demand. As a consequence of that, instead of patrolling in the immediate area of the nightclub district and the waterfront area of Rockingham, if there is a call-out in the southern suburbs, that vehicle travels down to Secret Harbour, Golden Bay or Singleton. In doing so, it is lost for at least 20 minutes on the road to get there. When police get there, they conduct their business, investigation or response, and when the task is completed they must travel back.

Before 2007, and before my arrival on the scene to contest the by-election for the seat of Peel, there was always a line item in the forward estimates for a police station in the southern suburbs of Rockingham. It was originally intended for the suburb of Port Kennedy, but that was no doubt done before the massive expansion of the outer rim of the city into the suburbs of Secret Harbour, Singleton, Golden Bay and Baldivis in recent years, particularly during the boom times. We have seen tens of thousands of people populate an area that had been, until quite recently, bush and sand dunes. When we received this feedback, and when we determined that there was a demand for the police station, should it be built, to be located further south to cover those newly expanding suburbs, to provide constant presence and a quicker response, it was appropriate that the police station, instead of being located in Port Kennedy, be shifted to Secret Harbour. That commitment was made by the previous government.

**Mr R.F. Johnson:** When was that commitment made?

**Mr P. PAPALIA:** That was made in 2007 in the lead-up to the by-election. It was an election promise that was fulfilled. The minister knows that the budget for 2007-08 allocated \$10 million over two years to identify and purchase the land, and design and construct the building.

**Dr K.D. Hames:** Can I tell you something that happened in 2001?

**Mr P. PAPALIA:** No. If the Minister for Health wants to tell a story, he should do it during his own contribution. I am explaining my view on behalf of my constituents. The minister can give his views on behalf of his constituents during his own time. It is a fact that the money was allocated, and the money for the purchase of the land was spent.

**Dr K.D. Hames:** We had already bought the land.

**Mr P. PAPALIA:** The government had not bought this land. The land was bought, and the design work was done in conjunction with the officer in charge of the police station at Rockingham and the superintendent from Fremantle. The construction was about to go out to tender. Unfortunately, there was an election.

**Mr R.F. Johnson:** Or fortunately, depending on which way you look at it.

**Mr P. PAPALIA:** Whichever point of view the minister holds, and whatever rings his bell, on this occasion there was an election in September, which we lost. Subsequently, the new Premier publicly announced that any capital expenditure was under review. The forward estimates could not guarantee any projects.

**Mr R.F. Johnson:** They never do.

**Mr P. PAPALIA:** I understand that. My response, as member for the electorate of Warnbro, representing the people of the suburbs of Warnbro, Port Kennedy, Secret Harbour, Golden Bay, Singleton and Baldivis, was to write to the Minister for Police requesting confirmation on behalf of the Premier that the Secret Harbour police station project was not subject to the Premier's all-encompassing statement about threats to capital works and infrastructure. Possibly like the member for Dawesville before me, I was reasonably confident that, with the land having been purchased and a sign erected for the future Secret Harbour police station, the design work having been done, and the project being supported by the population of southern Rockingham and northern Mandurah, I was only covering my bases and ensuring that the minister had the opportunity to affirm that his government would stand by this obvious requirement for a police station in the southern suburbs of Rockingham. I was right. I had to wait a little while for a response, and prompt the minister a little by suggesting to the media that they might want to pursue the matter with the Minister for Police, because he had not responded to me for some time. I had written about a month and a half before this. This is no criticism of the minister; I understand that he was getting on top of the job and that there was a lot to do. However, on 7 November 2008, in response to direct questions from the *Weekend Courier* in Rockingham, the minister confirmed that the Secret Harbour police station was in the forward estimates and would go ahead. That statement is in the *Weekend Courier* of 7 November 2008. I was satisfied, having completed my task —

**Mr R.F. Johnson:** When was that statement?

**Mr P. PAPALIA:** It was 7 November 2008.

**Mr R.F. Johnson:** I would love to see that.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr P. PAPALIA:** I have not got the article on me, but I guarantee that that is what it said. The minister is quoted; there are quotation marks around his words. I would not verbal the minister; I would not do that. The minister gave that confirmation in response to a question from the media at the behest of me and the member for Rockingham. We had been concerned, but when the minister confirmed in the media that the police station would go ahead, we were satisfied. We were comfortable that that met our expectations and those of the community of Rockingham, particularly people in the southern half of Rockingham and the northern half of Mandurah. They would now be serviced by a local police station that would provide constant presence and a far quicker response time to incidents and call-outs, without having an undue impact on the police station in Rockingham, because that would continue to be staffed by the same number of police officers—this new police station was an addition—and thereby expanding the police presence in Rockingham. The previous government had a record of doing that. The southern suburbs railway police station was located at the Rockingham railway station. We had clearly made a commitment to the rest of Rockingham to provide additional police and faster response times by positioning the police station in Secret Harbour, not a stone's throw away from my electorate office.

However, imagine my surprise, shock, distress, discomfort and disappointment in the Minister for Police when the budget papers were finally released—all those sleeps were over and all that waiting was gone—and I searched through the budget papers frantically looking for confirmation of the Secret Harbour police station having been allocated the remaining \$6.5 million of the \$10 million to complete the task of delivering to the people of the southern suburbs of Rockingham and the northern suburbs of Mandurah their very own police station. Prior to that time, I felt that I could trust the Minister for Police to do the right thing, and that he was being honest on 7 November last year. He certainly would not have misled the media in Rockingham, and the people of the southern suburbs of Rockingham and the northern suburbs of Mandurah, in the electorate of the member for Mandurah. I was aghast. I was lost for words; I was stunned. Fortunately, I recovered my voice in time to greet the minister this evening and confront him once again with the fact that he subsequently attempted to portray this police station as somehow not meeting the requirements of the commissioner, or somehow not meeting operational requirements aligned with the creation of police hubs, which would somehow provide a better police service to the suburbs.

The problem with the minister's hypothesis or suggestion is that it overlooks his statements of November 2008. At that time, there was apparently no problem with the operational management of the police force, and there were no issues about whether this police station met operational procedures, or about plans for the future establishment of police hubs in the suburbs. At that time, it was going to go ahead; it was in the forward estimates. I must say that that report and the minister's conversation with the media in Rockingham had the tenor of an implication that perhaps the member for Rockingham and I were jumping the gun; that perhaps we were trying to scaremonger. Perhaps it was not appropriate for us to question the incoming government's intention to fulfil promises—in this case, the completion of the building of a police station that was already well underway. The fact that the minister did not bother to respond to my letter but instead answered it in the media suggested to me that perhaps the minister was treating us with a little disdain because he felt that we were being a bit mischievous and that perhaps we were playing games. I was comfortable with that; I understood the politics of it all, and I felt that all would be well. What this episode clearly demonstrated was that on 7 November 2008, the police station was still apparently viable and justifiable. However, somehow between then and the time of the budget, either the minister was rolled in cabinet estimates discussions, or he decided that he would prefer to spend the money earmarked for the Secret Harbour police station on a smaller suburban police station in the electorate of Southern River, rather than a large police hub, as he had previously suggested as a reason for the diversion. I note that there is also another police station being flagged somewhere in the southern metropolitan area. Perhaps the minister decided that it was more appropriate for the money for the Secret Harbour police station to be sent over to the marginal Liberal seat of Southern River.

[Member's time extended.]

**Mr P. PAPALIA:** Perhaps that is what happened; perhaps that was the overwhelming argument that prevented the Secret Harbour police station being built. I am unsure. Far be it from me to question the minister's integrity in this incident, but I am led to some level of concern because of the fact that in November 2008 the minister said that it would go ahead and that it was already in the budget. However, it has disappeared in the intervening months, to such an extent that there is now no indication in the budget about whether this police station is ever likely to go ahead.

**Mr R.F. Johnson:** Which one?

**Mr P. PAPALIA:** The Secret Harbour police station.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr D.A. Templeman:** We need to let our constituents know.

**Mr R.F. Johnson:** I'm sure you do, and I'm very happy for you to let your constituents know whatever you want to let them know.

**Mr P. PAPALIA:** Could the minister perhaps give us an indication of whether that land will be retained with a view to one day building the Secret Harbour police station, or is there some other plan for that land?

**Mr R.F. Johnson:** Let me put it this way; let's put everything in a truthful context. You know and I know that it was the Labor government that decided to announce during the by-election that it won that a police station would be built there.

**Mr P. PAPALIA:** If the minister is not going to answer the question, I would rather take my time back and prevent him from interjecting. I gave him the opportunity to answer the question about what he intended to do with that land and whether the police station would be built. The budget reveals that the minister has dragged money from the Carnarvon Police Station also. Whose electorate is that in? That would be the electorate of North West; that would be a Labor electorate, would it not? The minister has dragged the money from that police station and the Secret Harbour police station, and reallocated it to continuity and development for 2009-10 and 2010-11. There is no indication about whether the Secret Harbour police station will ever go ahead; neither is the Carnarvon Police Station mentioned again. The residents of the southern half of Rockingham and the northern half of Mandurah would be keen to find out whether they will ever get a police station.

**Mr R.F. Johnson:** Perhaps I can assist you in some way by letting you know what I have been told, and what I believe to have been a truthful comment by the commissioner and his officers, that they never put forward a request to have a police station at Secret Harbour.

**Mr P. PAPALIA:** Why, on 7 November 2008, having been in government since September, did the minister confirm that the Secret Harbour police station would go ahead in accordance with the forward estimates? If that were the case, is the minister telling me that the Commissioner for Police did not bother to talk to the minister about it prior to that time? Or had the minister not bothered asking the commissioner about it prior to going to the media?

**Mr R.F. Johnson:** My friend, you are talking about two months after taking government.

**Mr P. PAPALIA:** I am disappointed in the minister. I think that he is now utilising public servants as an excuse, and I am disappointed in that sort of behaviour.

I will move on from the subject of the Secret Harbour police station. It is the singular greatest indication of the way in which the City of Rockingham and, indeed, the southern suburbs in general will be sadly neglected by this government. One has only to look back a little time to identify how great a contribution the previous government made to the southern suburbs represented by three of the members present on this side, particularly Mandurah, Rockingham and Warnbro. This was the incredibly rapidly growing southern corridor, full of young families and people who were, at that time, flooding to Western Australia to meet the demands of the boom. Those people had their demands for hospitals, police, transport and education met by the previous government. Something in the order of \$150 million of education infrastructure was built in this area during the term of the previous government. I find farcical the suggestion that the previous government did little with the economic boom. It is obvious why that suggestion did not take hold in the southern suburbs of Rockingham, Mandurah, Kwinana and Cockburn; they have only to look around them to know that it is a fallacy—a falsehood being spread by the Liberal Party.

The Rockingham General Hospital was completely rebuilt. The capacity of that hospital is now incredible in comparison with what it had been. It had already undergone a minor upgrade during the term of the previous government, but it was then completely rebuilt—\$110 million worth of infrastructure additions were made to the Rockingham General Hospital. During the term of the previous government, a police station was built at Rockingham railway station, a licensing centre was opened and all manner of other enhancements were made to service provision for the people of Rockingham. The crowning glory and undeniably the most significant piece of urban infrastructure created anywhere in the country over the past decade, the southern suburbs railway, was opened on 23 December 2007 by the previous government, to great acclaim. It more than doubled the urban rail network in the city of Perth overnight. It was incredible. It links the great city of Mandurah —

**Mr D.A. Templeman:** Regional centre!

**Mr P. PAPALIA:** It links the regional centre of Mandurah to the city of Perth and suburbs in between, and opens up all manner of opportunities for people along the route, such as the people of Kwinana, who were

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blessed with two railway stations, one on either side of the town. Those people were given full access, for the first time, to public transport that would enable them to recreate and educate themselves, and to work at distances far removed from their domestic location through the use of public transport. The sort of vision that created that project is worthy of recognition. I am happy to go on the record and acknowledge all of those incredible and significant advances that were made, particularly for the people of Rockingham—in my case, the southern suburbs of Rockingham—although I cannot take the credit, because it was the people who were in government prior to me who achieved that.

**Mr D.A. Templeman:** I should have a station in Mandurah, at Lakelands! The Templeman station!

**Mr P. PAPALIA:** I was the fortunate inheritor of those fantastic projects, and I am glad to now go on the record and say that. I only wish I had had the opportunity to convey that message more widely. I have clearly managed to do it within my own electorate, but I wish I had been able to convey that message beyond my own electorate, because it was a good one, that there was an irrefutable and undeniable contribution made to the state by the previous government that was reflected very well in the City of Rockingham.

Before completing my contribution this evening, I will take the opportunity to digress again a little. I wish to do so because at the moment an inquiry is being undertaken by the Australian Defence Force Honours and Awards Tribunal in Canberra. The undertaking of that inquiry is the result of many, many years of advocacy by ex-servicemen from the Special Air Service Regiment and Navy clearance divers.

A government member interjected.

**Mr P. PAPALIA:** Mr Deputy Speaker might want to educate the member about what can be spoken about during this debate.

They wanted this inquiry to try to determine if there was appropriate recognition for personnel who served predominantly in Western Australia in the counter-terrorism squadrons of the Special Air Service Regiment during the period from the late 1970s until the mid and late 1990s. At that time counter-terrorism was a new capability, and it was easily the most operational task undertaken by any Australian Defence Force unit of any service.

During that period, clearance divers served with the counter-terrorism squadron of the Special Air Service, so they, and I, served there, and that is how I became aware of this issue. I was approached recently by some ex-Special Air Service Regiment personnel who have been desperately seeking better recognition for their service. Many, many dedicated, and in many cases heroic, men served in the counter-terrorism squadron during that period. A large number of them were severely injured, both physically and psychologically, from the nature of their service. The service was always operational and it was always considered to be as close to combat as could possibly be, short of war. Personnel were always urged to dedicate themselves to achieving the greatest possible realism in their training.

It is my view, and it is the view of many men who served in that unit at that time, that unfortunately the service undertaken has never really received appropriate recognition. I just wanted to take the opportunity to add to my contribution to the second reading debate a reference to the fact that fortunately the Rudd government has undertaken an inquiry into the Special Air Service Regiment counter-terrorism and special recovery service, with a view to determining whether that service has been properly recognised and whether it should be recognised in a more appropriate fashion.

**Mr T.K. Waldron:** Recognised by whom?

**Mr P. PAPALIA:** By the Australian government. They were never deployed operationally but were in preparation for a terrorist threat—they were the option of last resort in the event of a terrorist incident on mainland Australia or offshore. If there had been a terrorist incident, they would have been tasked with taking down a stronghold and securing that situation. The nature of our award system is set up so that only people who were deployed operationally receive appropriate medallic recognition, and the only people to actually receive the full suite of compensation options in the event that they had been physically or mentally injured in such service are those people who actually served on operations. I would urge the federal government to support whatever outcomes are determined by the inquiry. Hopefully, it will be positive and supportive and recommend appropriate medallic and compensatory recognition to these men. It is long overdue, and those men have, in many cases, suffered as much, if not more, than people who have received the Australian Active Service Medal, as well as far greater means of recognition and compensation, than they have to this date.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**MR W.J. JOHNSTON (Cannington)** [8.25 pm]: I rise to speak on the Appropriation (Consolidated Account) Capital 2009-10 Bill 2009 and the Appropriation (Consolidated Account) Recurrent 2009-10 Bill 2009.

I would like to go through and pay great acknowledgment to the many projects that the new Barnett minority Liberal-National government has established in my electorate, but unfortunately there are not any, so I cannot do that

**Mr B.J. Grylls:** Are you sure you haven't got the member for Wagin's old speech?

**Mr W.J. JOHNSTON:** There we go—so I am not alone! They are also forgetting the people of Wagin!

I would like to start my contribution to the second reading debate by talking about the Queens Park train station, because on 27 January the Minister for Transport wrote to me and, in part, his letter stated —

An upgrade to the Queens Park station is one that the Public Transport Authority (PTA) supports. The planned upgrades will commence in the second quarter of 2009 and due to the low rates of crime at the station, the PTA is keen to trial a new design strategy which will create a benchmark for future minor station upgrades under the Disability Discrimination Act upgrade programme.

I have read the section of the budget related to the Public Transport Authority, and because these are only minor works they are not specifically mentioned in the budget papers. I hope that whilst the works have not yet started and we are in the second quarter of the year, that the people of Cannington are not going to be tricked by the minister, and will not lose this one piece of infrastructure upgrade that the electorate is entitled to and that was planned to be delivered by the last government and was said to be intended to be delivered by this government. We are very much looking forward to that upgrade because Queens Park train station not only serves commuters leaving the Queens Park area, but also the many commuters arriving to work in the small industrial park either side of the railway station, and also the many students attending schools in that area. It is a very important station to the Cannington community and it is looking forward to it being upgraded.

I also want to talk about bus route 205, which, through the good work of Faye Watson, Louisa Smith and the other people at the Wandarrah Seniors Club in Lynwood, has replaced the old 155 bus route. I was very pleased to ride on the first bus and use my SmartRider card to pay for the ticket. I am sure the member for Riverton can buy himself a SmartRider to use in the future! Whilst there has been much publicity generated by the government about the reinstatement of that bus service, the minister has said it will only be a 12-month trial, so I hope again that the minister is not trying to trick the residents of Ferndale, Lynwood and Langford, because it is very important that that service be maintained.

I now wish to talk about the Bannister Creek Primary School, which is well under construction, and we are looking forward to it being completed at the end of this year. It is a school with great teachers and great leadership, but there are some parent concerns. A number of parents have talked to me recently about the provision of covered walkways for the students. I have written to the Minister for Education about that very small issue, but I hope the minister will react positively to the parents' request. I have also been approached by Bannister Creek Catchment Group, asking for native plantings on site; I hope that can be accommodated as well.

The people of the Cannington area, particularly Ferndale and Lynwood, are looking forward to seeing what happens with the previous Ferndale and Kinlock school sites. At the moment they are still the property of the Department of Education and Training and I am looking forward to proper community consultation to ensure that those facilities are properly used in the future. Whatever the government's development plans, the opposition would be very interested to hear about them and the benefit for the community in that area.

Quattro: The New Queens Park is one such example of a development initiated by the former government. Land sales by the private developer Peet Limited are well underway. I am of course referring to the former Homeswest estate of Maniana. Although Maniana had many problems with crime and antisocial behaviour, we are all looking forward to the culmination of the former Labor government's great plan to lift the nature of that area by reducing the number of disadvantaged people crowded into one small community, thereby achieving a better balance that will make for a more genuine community. Also, we are looking forward to more students attending the Queens Park Primary School.

**Mr P. Papalia:** It is a wonderful development.

**Mr W.J. JOHNSTON:** It is a wonderful development, member for Warnbro.

That leads to the fact that every school in my electorate is being upgraded thanks to the school upgrade and maintenance initiatives of Kevin Rudd's federal Labor government. A trade training centre is being installed at Sevenoaks Senior College. I note that that is not specifically listed in the *Budget Statements*: \$70 million in trade

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training funding is listed but individual projects are not listed; however, given the federal government's announcement, we are looking forward to the culmination of that project. Sevenoaks provides excellent leadership and is a great community facility. A trade training centre will take advantage of the linkages created by that school to benefit the whole community. Not only will Cannington benefit, but the whole of the metropolitan area, because, again, the school is close to a train station and draws many students from out of the area.

Another federal Labor government initiative in the current economic crisis is the building of additional public housing in Western Australia and Australia. It is a great thing that the former Labor government left Western Australia ready, unlike other states where projects are being delayed because state governments are not capable of delivering within the short time frames available. Because of the good work of the former Labor government, Western Australia does not have that problem. For example, in the Cannington electorate a block at the corner of Sevenoaks Street and Cecil Avenue is ready to go. The council is in favour, as I believe is the community, of additional public housing at that site. It would benefit the total community. All I can say to the government is to go on and get it done.

I must also say how much I appreciate the stimulus money that has been sent to many people in the Cannington electorate. Out of the 59 seats in this state, my electorate is number 22: it is in the lowest third when measured in terms of household income. Consequently, the federal government stimulus money sent out to pensioners in December 2008 and to all taxpayers on a graduated and means-tested basis now is very welcome in the Cannington community. Also, I note the increases to pensions and, in particular, to the single person pension. Single pensioners have been receiving an insufficient level of support: they have been receiving 60 rather than 66 per cent of the married persons' pension. Given the extra costs of living alone, that was not enough and so the \$34 a week increase for single person pensioners is very welcome. I noted the member for Riverton's comments last week that he did not support the federal stimulus money being given to individuals. That is very interesting because, of course, this budget and the Treasurer's advance authorisation contained the state government's own little stimulus payments; namely the \$100 payment to seniors and the \$500 Country Age Pension Fuel Card. They work in exactly the same way as the federal government stimulus payments. The member for Riverton said that he did not agree with those federal government payments to working people in the electorate of Cannington and the electorate of Riverton and right across the length and breadth of this state.

**Mr P. Papalia:** That is because they are Labor payments.

**Mr W.J. JOHNSTON:** That is right; the member for Warnbro is very observant. They are Labor payments. Apparently it is okay to make \$100 payments to seniors in Western Australia without any means testing. Apparently that is a good payment because the member for Riverton has voted in favour of the Treasurer's advance authorisation. I imagine he will vote in favour of this budget, which includes those payments, yet he opposes federal government payments to working families in this state—payments which are nothing more than a tax rebate. I do not understand why any Liberal member would oppose working families receiving a rebate on their taxes from the federal government. It has been said that these payments will be saved and not spent; but as everybody knows working people spend all their income all the time. That means that even if they pay off a credit card bill, they will, over time, spend that money anyway, because working people live to the limit of their means. It is not the same for people who live in Cottesloe or other such places; working people need the resources that they are given. Consequently, I very much welcome those payments, and I know from the people who have walked into my office in Cannington or who have rung up to talk to me that the community is in favour of those federal government payments. I am amazed that the minority state Liberal government is prepared to claim credit for many of the Rudd Labor government decisions.

There is nothing else in this budget for the people of Cannington, apart from the rising costs and charges—including an extra \$750 for power and other expenses that ordinary working people are being lumbered with—that are being used to pay off the extravagant and reckless 13 per cent expenses growth of this government. Although I will come back to that point in a minute, I want to make a couple of comments about something that I have said before in this house; namely, it is fabulous to find that many people want to involve new members of Parliament in their affairs and react positively when a member is able to attend an event to which they have been invited. I know every member here feels the same way. I want now to talk about four such occasions in my local community.

On Friday night, I was very privileged to attend a mass at St Joseph's Church in Queens Park to celebrate the fiftieth anniversary of the arrival of the Norbertine priests in Western Australia. A very creative mass was followed by a very pleasant social event and I was very pleased to be included in the Norbertine anniversary

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celebrations. Also, I was pleased to be involved recently in the thirtieth anniversary of St Jude's Catholic School in Langford, which has a very good motto: "Always Room for One More". I think that is a great attitude for a Catholic primary school and it reminds me of the sort of school that I went to when I was a kid. I spent a very pleasant afternoon with parents, teachers and some students.

I also want to say how good it is to deal with the Canning Agricultural, Horticultural and Recreational Society, which is a very well-resourced organisation with a great vision for its future. The society is looking for federal government support and I hope to be able to assist in its endeavour. The Cannington dog track also requires some work. The Minister for Racing and Gaming is not in the chamber, but I really look forward to Racing and Wagering Western Australia supporting the relocation of the Cannington dogs to the site of the Cannington agricultural society at the Cannington showgrounds next to Carousel Shopping Centre. I hope that RWWA will support that very important piece of infrastructure in our local community.

I also want to discuss a couple of things about the budget: firstly, the police. There is nothing very special in this budget for the people of Cannington and there is nothing at all that is very special in terms of policing in Cannington. The minority Liberal government propaganda discusses the provision of 500 extra police over the next five years. The *Budget Statements* suggest that that Labor Party election promise, matched by the incoming government, has now been broken because it appears that there will be only 350 and not 500 extra police and that there will be 150 extra auxiliary police officers. I know that the member for Girrawheen spoke about this earlier and I will not go on about it much longer. It is clearly not what was promised to the people of Western Australia. It will be interesting to see how that broken promise gets reconciled by the new government. I note that no minister has interjected on me. I always find it interesting that nobody interjects on me when I make a point, particularly when I am saying that the Liberal Party did not tell the truth to the people of Western Australia during the election. There was also no support for the police more generally. Like every other member of this house, I received a letter from Ken See of the WA Police Union of Workers. He made his views clear about the government's offer to the union. The letter states —

The offer is far below that given to State School Teachers and FESA Firefighters and demands trade-off flexibility for the Commissioner of Police to absolutely dictate the work patterns of YOUR POLICE OFFICERS including the unfettered authority to start and stop and change or completely abandon the posted roster so that our Members will effectively have no say over their off duty time for family responsibilities and essential rest.

I find this letter very interesting because during the debate for the Treasurer's advance authorisation for this year I pointed out that if the incoming minority Liberal government does not settle with the police for more than it settles with the teachers, it will be ripping off police officers in this state and will not be treating our coppers with the respect and resources that they deserve. I was very interested to receive that letter from the police union because it supports what I am saying. It will be interesting to see the commitment of members opposite to the police force.

I want to turn to some detailed issues from the budget. Pages 427 to 430 of budget paper No 2, volume 2, set out all the investments that the government will make into roads in this state. That is interesting because, as the member for Victoria Park explained, it shows how the federal government is proposing to increase funding to roads in Western Australia, while at the same time the minority Liberal government will cut funding for roads by the extraordinary figure of 80 per cent. Almost 80 per cent of funding for roads will be cut over the next four years. For the past eight years I remember that members in the then opposition, particularly members of the National Party, would criticise the Labor government for not spending enough on roads, yet the funding that we presided over when we were in government has been reduced.

[Member's time extended.]

**Mr W.J. JOHNSTON:** The funding that was said to have been inadequate by those opposite when we were in government will now be cut by nearly 80 per cent, but apparently that is okay. That is an extraordinary position for the new government. In particular, I note the works on the Tonkin Highway alongside the airport. Not only is the money that is allocated for the estimated total cost of these projects, which are essential for the people of Cannington and for people in other eastern suburbs electorates such as Forrestfield, Kalamunda, Gosnells and Belmont, not right, but no way in the world can those roadworks be completed for the money allocated in the forward estimates. Roughly \$150 million has been allocated, probably less than a quarter of the money that is actually required, as the actual cost will be nearly \$600 million. Not only that, but also the money does not get spent in the forward estimates. We have an essential piece of infrastructure for the people of Cannington and all those other electorates and there is no plan to deliver those services to my electorate and those other electorates.

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On 15 May, Perth Airport put out a media release stating —

A series of recent announcements provides enormous confidence that the Western Australian and Commonwealth Governments appreciate the need to ensure the arterial road network in the vicinity of Perth Airport has the capacity to support the airport's continuing expansion.

It goes on. The problem is that the money that is allocated not only will not be spent in the next four years, but also is totally inadequate. There is no possibility of those works being completed with the money allocated. The government knows that because that is the advice that the Commissioner of Main Roads gave to the government. The government applied to Infrastructure Australia for this project. That was number five on the list that the Premier spoke about in his media release last year when he made his submission. The Premier recently spoke about the fact that all three of his projects were funded by the commonwealth government. He had five requests. The fifth one was the one that was important to the people of Cannington. He did not get the money from the commonwealth government because the projects that were submitted are not capable of being delivered. The allocations that are shown in the *Budget Statements* are a fraud.

I will go on further to matters to do with the budget. Page 50 of budget paper No 3 sets out the GST revenues that the state government says will be given by the commonwealth over the life of the forward estimates. It gives figures of \$3 332 million for the 2009-10 year and \$2 819 million in the 2012-13 forward estimates. However, if we go to budget paper No 3, part 3, "General Revenue Assistance", in the federal budget papers, it is clear that there is a completely different set of numbers. Over the forward estimates period, \$970 million more has been granted to Western Australia by the commonwealth than the figures contained in our budget papers. There is an acknowledgement that the budget papers are prepared in advance of the government being aware of the federal budget, which is fair enough, but this is a major issue. The government is saying that not only are the cuts already delivered but also there will be a further round of cuts. Those cuts can be offset against that additional \$970 million of funding. Every time a teacher number is reduced, public servants are sacked, we cannot hire enough nurses or we cannot find enough police, people on the other side of the chamber need to be aware that \$970 million of commonwealth money is not properly accounted for in these budget papers.

I also want to talk about tax rates. This is another example of where the Liberal Party spoke big in opposition but has done absolutely nothing in government. I have made the comment before, and I will continue to do it, that the Treasurer of this state will be judged not on our position on taxation but on his position on taxation. He constantly said that the Labor Party's level of taxation in this state was usury and it was holding the state back. What happened when he came into government? He maintained all our rates of taxes. There are no tax rate cuts in this budget. Some minor adjustments were made a little while ago with respect to the 2008-09 year, and we have dealt with those land tax issues, but all that did was net out the inflation effects of the land tax values. There was no change to any of the rates that were left to the Treasurer in this budget apart from that one minor technical amendment. That is not the only thing that we should look at. Let us look at the issue of tax competitiveness. When in opposition, the Treasurer used to tell us how we should not be measuring our tax performance on the basis of tax revenue as a share of gross state product. He constantly told us how it should be measured on a per capita basis. What do we find on page 17 of this government's budget? It states —

Tax as a proportion of the economic base ... is an internationally recognised measure of tax competitiveness, which unlike tax per capita, accounts for the impact of differences in the size and composition of each State's economy on tax revenue.

It goes on. The lion of opposition has become the kitten of government. The Treasurer now agrees with the Labor Party that tax competitiveness as a percentage of GSP is the appropriate measure. It would be interesting if the Treasurer decided to be honest and came in here and explained to members and the people of Western Australia that his rhetoric when in opposition was just puff and wind, but I do not expect that to happen any time soon.

Page 50 of budget paper No 3 shows that, over the forward estimates, taxation will grow by 30 per cent during the term of the government. It will grow from \$5 775 million, which is \$200 million more than last financial year, to \$7 275 million. We know what the government is doing with taxes; it is taxing more each year. That may be a good outcome or a bad outcome, but it is not the outcome that was promised to the people of Western Australia by the now Treasurer when he was in opposition. This is another example of the Liberal Party not being level with the people of the state. It is interesting also that on page 22 of budget paper No 3 we can see that the \$250 million tax cut promise from the 2008 election has been abandoned. There is a \$100 million tax rebate through the payroll tax concessions that are one-off payments to small business. The budget papers explain that it will cost \$100 million. However, the balance of the \$250 million is netted back into the budget bottom line.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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That is a \$150 million broken promise. If the government were serious about that, it would either continue to show the \$150 million as an expense and take it out of the budget bottom line, or adjust the tax rates to take account of the \$150 million. That is another broken promise.

Page 23 of budget paper No 3 also shows—this goes to the heart of one of the debates that we have had—the write-back of \$546.1 million for reductions in community service obligations in electricity tariffs. I will make that clear to members opposite. The government is taking \$560 million out of the pockets of members' constituents and giving it to the budget bottom line. That is what the government is doing. The member for Riverton will probably stand at some stage and say that that is about the user-pays principle, and that may well be true, but that is what the government is doing. That is a deliberate decision of the government.

**Dr M.D. Nahan** interjected.

**Mr W.J. JOHNSTON:** I have only four minutes left, member.

That is a choice that the government has made. That point has been made many times by the Leader of the Opposition and has never been properly dealt with by the government.

The expense growth set out on page 15 of budget paper No 3 is what one would call “heroic”. It shows that the forward estimates can work only if expense growth is held below two per cent. The incoming government grew expenses by 13 per cent during its first period of government. It is now saying that expense growth in 2009-10 is expected to be 6.6 per cent. The government is asking us to not believe it today, but to believe it tomorrow. In the same way that the Liberal Party did not level with the people of Western Australia on so many issues when it was in opposition, it is now not levelling with the people when in government. The government is honestly saying to the people that there will be only two per cent growth. Let me make that clear to members opposite. It means that the government will cut services in their electorates. There is no other way of keeping expense growth to two per cent.

On page 14 of budget paper No 3 reference is made to the five per cent interest revenue cap. That is unrealistic. The government will not be able to maintain a five per cent cap on interest payments. If there is a significant increase in interest rates because of the huge run-up of debt, the government will breach its self-imposed rule.

In my last couple of minutes I will talk about the trains that the member for Southern River has promised. There is now no train for Southern River. Any discussion by the member for Southern River about a train in his electorate is nothing short of political dishonesty. There can be no possibility of the delivery of a train for Canning Vale or any other station on that line at any time in not only this term of government, but also the next term of government, because the Premier has made it clear that the next train line will be to Ellenbrook. That train line has already been delayed and will not be started in the current term of government. The government has not levelled with the people about anything up to this time. Is it now levelling with the people, having broken its election commitment to start to build the train line to Ellenbrook during this term of government, and now saying that that was not an honest promise? Now we must ask what will happen. Having not told the truth in the 2008 election, are we now getting the truth from the government? Even if the government is telling the truth, the member for Southern River will not get a train. It will not turn up because there is no possibility of it being delivered.

**MR J.N. HYDE (Perth)** [8.55 pm]: The big issue in Perth that began under the former Labor government was the first \$50 million that was spent on the Northbridge Link. A lot of the hard work on that project has been done. The Joondalup line has been sunk. Half of the Northbridge Link has been done. Again, the previous Labor government provided this government with a head start. How much money has this government provided for the Northbridge Link in this budget? Zip. Not only has the state Labor party done the first half of the project—sinking the Joondalup line—the federal government has now provided the state government with \$236 million to enable the Perth city bus port to be sunk. I called for that to be done three months ago and the state government said no way. It would not even put it on a 10-year plan. The government has received \$236 million from the federal government and the City of Perth has provided \$33 million. The City of Perth is bailing out this lame coalition government in many areas, be it vision, planning, overseas trade or the arts. The City of Perth is showing up the government in many areas. There is no money in the state budget for the Northbridge Link. The government should be starting the work now. The earlier the work is started, the more easily the traffic problems and other problems for businesses can be alleviated during this type of big infrastructure project. Half the work has been done. If the government is to put a grand central park on the Northbridge Link, it could begin laying the turf and planting the trees now. The railway is under cover. The land is there waiting for the work to be done. But this is a do-nothing government. It talks big but does nothing. There is nothing for the Northbridge Link in the budget. The government is providing \$178 million in this year's budget for the Perth Arena. Again, that

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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development was started by the former Labor government. In effect, that started the entire Northbridge Link project.

Let us look at the other side of Roe Street and the new you-beaut police station. We costed and planned that project and work on it should have started in October last year. What has this government done? Nothing. It has apparently allocated only \$113 million for it in this budget. The government knows that WA Police has budgeted it at much more than that. The government has again not given the police service what it needs for a state-of-the-art police headquarters in Perth. We will chase up that issue in the estimates very strongly. That \$113 million was the figure from two years ago. The government has not even got the necessary intellectual vigour to update this important part of the budget for law and order.

Let us look at the arts, which is close to my heart. Anyone who is involved with the arts was ignited last year by the greatest spend by any state government in Australia's history—the \$73 million extra allocated to the Ignite! package by the Carpenter government. Many people in the arts community with whom I have spoken were delighted that we had announced, funded and signed the cheques for that package before the election was called. Many of the groups that are benefiting from that package are using the money already. The Art Gallery of WA's funding is a measly \$200 000 or so a year for acquisitions—such a piddling amount for an art gallery. Under the Ignite! package last year, it was given an extra \$5 million as an incentive program. We will be listening in the estimates hearings and elsewhere to ensure that that money has not gone the way of the three per cent dividends, as has so much else. The three per cent dividend in the arts has become 25 per cent when it comes to cutting funding from art and film organisations. Their organisation, funding and project work has been cut by 25 per cent. Funding is decreasing from \$48.2 million in 2008-09 to \$36.6 million in 2009-10. The arts is not so much administratively heavy as employee heavy. If we cut 25 per cent of budgets in theatre projects, it cuts 25 per cent of jobs. Western Australians in the creative industries will lose jobs and have less work because of the government's funding cuts to the arts.

Capital investment in the arts is now at its lowest ebb; it will be \$30.2 million in 2009-10, one-quarter of which will be for the Northbridge state theatre. I know the Minister for Culture and the Arts must have been under pressure from some people in Treasury to do whatever he could to delay that but given the amount of potential concrete cancer and other problems there, money must continue to be spent on it. One-quarter of the tiny investment of \$30 million will be spent on finishing Labor's Northbridge state theatre. Of course, the big item that is missing from the arts budget is the \$500 million museum. The minister was severely rolled on this issue. The amount of \$500 million has been taken from his arts budget, and most members opposite do not even care. At least I know the arts minister cares about the arts. He is a lone wolf. The amount of \$500 million is being ripped off. Can the other Neanderthals in Treasury or on the economic review committee give the minister a bit of money for the arts? Can they give him \$1.8 million for His Majesty's Theatre? Sir Charles Court will be rolling over wherever he is at the moment. Thirty years ago he saved His Majesty's from demolition—from the neoconservatives. At no time in their time in government have they spent one cent on fixing that building. After 30 years it badly needs \$1.8 million to fix the facade and undertake some building maintenance inside. It is a 105-year-old building. Those neo-Liberals who have recently been elected have no understanding of the true compassionate liberalism that made the Liberal Party great after the Second World War. They have lost that.

**Mr J.H.D. Day:** The facade will be fixed.

**Mr J.N. HYDE:** There is not one cent in the budget for it. The amount of \$1.8 million is needed for all that. I would be delighted if the urgings from the opposition ensure that the money is found somewhere.

On Friday night at His Majesty's I attended the performance of *The Alchemist* with John Bell, director of the Bell Shakespeare company, who made a speech afterwards. He said that the people of Perth have no idea how lucky they are to have such a theatre. In Sydney and other eastern states capitals those federation-era theatres have been destroyed. For performing arts companies and audiences to be able to watch live theatre away from a 42-inch plasma screen and the futility of two-dimensional arts is incredibly special. But, as John Bell said, it is something that we must spend money on. We must treasure our heritage and our arts. Before I get any more interjections, a wonderful line from *The Alchemist* when someone was under attack—perhaps from interjections—was “Breathe less and farther away”. There is a delight in language that we get from the arts and many of us could learn from more —

**Dr K.D. Hames:** That doesn't seem delightful to me; it's fairly harsh.

**Mr J.N. HYDE:** Does the minister want the arts to be sanitised and pretty and sweet?

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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I refer now to the Art Gallery. With the other half of the paucity of money in capital investment, the government is providing \$9 million or \$10 million to put up a bit of cladding or brick facade on the outer walls of the Art Gallery of Western Australia. It certainly needs it. Will it be a titanium cover, will it be something of artistic beauty, or will it be a bit of Stratco green tin, bought on special, cladding the outside? Perhaps to save on the glass doors, roller shutters will be installed at the front. It will need shutters because it will be closed one day a week. If members opposite knew anything of classical history, they would know that Rome was not built in a day. We spent \$73 million on the arts last year, the largest amount ever.

The other thing missing from the budget—I will declare an interest being the founder of Theatre Kimberley, the first professional regional theatre company—is \$5 million for the Kimberley Performing Arts Theatre.

**Mr J.H.D. Day:** No, it isn't; it is still there.

**Mr J.N. HYDE:** I cannot find it. I am looking forward to the estimates hearings. It is not itemised. It is not spelt out in English, mathematics or hieroglyphics. I will get someone with brail expertise and put the invisible ink powder in between the papers and, hopefully, on the reverse —

Several members interjected.

**Mr J.N. HYDE:** I am sorry, shadow Minister for Police, I am getting into CSI material here!

I would be delighted if we could find that funding somewhere. Perhaps the minister can help me out with this: the Speaker and I have a conflict of interest, being board members of West TV, our community access television station. I could not find a cent in the budget for community television. I hope it will be revealed during the estimates hearings. I would not want to upset the Speaker.

Several members interjected.

**The ACTING SPEAKER (Mr P.B. Watson):** Order, members; you will have an opportunity to speak.

**Mr J.N. HYDE:** The other comparison I would like to make is the understanding the federal government has that the arts means jobs. The Rudd government specifically allocated \$9.6 million for job transitions in the arts. Barack Obama's stimulus package included \$50 million for job stimulus in the arts. He sees that investment by government in the arts equals job creation. Of course, members opposite can rightly say that it is one thing to whinge about what is not in the budget, but that we should offer some suggestions. Let us look at one of the biggest drains on the budget; that is, the belltower. The National Party people of course are not in the chamber. The belltower was the original royalties for regions flagship of the previous coalition government. It was originally intended that 30 per cent of all profits from the belltower would go to regional youth; the regions would benefit from this wonderful belltower that members opposite built the last time they were in government. What has happened? How much does the member for Girrawheen think the people in Dumbleyung or Wagin received?

**Ms M.M. Quirk:** To use the vernacular, not a technical term—bugger all.

**Mr J.N. HYDE:** The member is quite right; they received \$200 000 worth of debt each year. The belltower is close to running up \$2 million worth of debt. That is \$2 million out of the budget that has gone to provide an outing for some western suburbs bell pullers.

**Mr J.H.D. Day** interjected.

**Mr J.N. HYDE:** No, I do not; I think it is a huge mistake.

A government member: Pull it down then.

**Mr J.N. HYDE:** That will be in one of my media releases on a slow Sunday.

This is a government that is looking at cutting funding from everything. It is going down a line of service delivery and cutting services all over the state. It got sucked into building that little iconic belltower. The then government should have listened to Hendy Cowan and not done it. It is a drain on the arts. It continues to be a drain. If the belltower was in private enterprise, it would already have been gutted and reused for something else. The government must swallow its pride and look at that.

Several members interjected.

**The ACTING SPEAKER (Mr P.B. Watson):** Members, when the Treasurer made his speech there were no interjections from the other side. Members on the government side will have the opportunity to get up and have their say for half an hour, so we should let the member for Perth have his say in silence.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr J.N. HYDE:** One of the benefits of being an incoming government is that things can be rationally looked at anew.

**Mr J.H.D. Day:** What would you do with the belltower?

**Mr J.N. HYDE:** After the estimates committees, I will come into the house with my vision for the belltower, which is in my electorate.

**Mr J.H.D. Day:** We look forward to that.

**Mr J.N. HYDE:** I am sure the minister does; there will be one vision a week from now on.

Let us have a look at the portfolio of the minister next to the Minister for Culture and the Arts—the Minister for Citizenship and Multicultural Interests. There are three lines in the budget for multicultural interests. I am staggered that it is even left in the ministerial title. The government is spending a lousy \$848 000 on multicultural interests. Half of that is probably going on the salary of the minister and the other half is being spent on all the paint on the letterheads and the doors, because it is certainly not being spent on services. Looking at the raw figures in those very tiny three lines, the overall budget for multicultural interests—sorry, under a conservative coalition government it becomes citizenship and multicultural interests—has gone from \$3.6 million to \$4.6 million. We might think that this means an extra \$1 million for multicultural services, Muslim women, work with refugees, work with international students or work with the children of 457 visa holders, but it does not. Apparently, this extra \$1 million is going into local government overheads and administration on behalf of multicultural interests. In fact, only \$848 000 is being spent on multicultural interests, but some little swiftie is being pulled with the thimbles on the table.

[Member's time extended.]

**Mr J.N. HYDE:** We want to find out in the estimates committees where that \$1 million has gone. The government plans to close the Art Gallery for one day a week, and probably the State Library as well. The government does not understand how important the cultural centre is to life. The doors will be closed, so there will be nothing for people to do. We are going to chase this, because the government will be closing the library on public holidays, when the shops are shut and people get the time and the motivation for free artistic pursuits in the cultural centre. Then there is the economic spin-off from that. They will go for coffee, dinner or whatever in Northbridge. The tone of Northbridge is changed by having those cultural assets there. On any weekend, and particularly on public holidays, thousands of international tourists and students are there with their laptop computers using the free wi-fi out of the library. If the doors are to be closed more often, will the government be saving money as well by turning off the service, the electricity and the wi-fi? Not only will people be locked outside, they will have nothing to do outside, because there is no public art of any worth there. The minister has been around twice in this game, in and out of government, and now he is setting up another committee to look at that cultural centre. He should just go down to Coates hire service, hire a bulldozer, get the line of site vision for the area between Beaufort Street and William Street and fix it up himself. He does not need a committee to do it again.

**Mr J.H.D. Day:** We think we will have a slightly more sophisticated approach to redeveloping the cultural centre.

**Mr J.N. HYDE:** Yes, and I have seen three previous governments do that. They all think big, and they all have the master plan. They will get the East Perth Redevelopment Authority involved and get all sorts of visionaries involved, but the same lousy bricks are still there from the time when Ron Davies planted a tree in that little amphitheatre and opened the cultural centre in 1985. There has been no change since then.

Getting slightly away from multicultural interests, a civilised community does not view its international neighbours as simply economic milking cows; it looks at the totality of the relationship. We see an enlightened community such as that in China investing in Africa with no strings attached. We saw the Americans in the early 1960s doing excellent capacity building with the Peace Corps, and we see other communities doing these things now. So what does Western Australia do? This goes to the absence of leadership from this government. We have the second strongest economy in the world, partly due to our strong relationship with China, but the Premier has been nowhere near China. He has absolutely avoided China and our South East Asian partners. An economic analysis has been released showing that Australian households are \$3 400 better off each year as a result of our country's trade with China. It is incumbent upon the government to be pointing this out. China is Western Australia's number one trading partner, and we are \$3 400 better off each year because of our relationship with China. This is particularly so in Western Australia, because we are exporting so many raw materials. We are importing Honda cars from Thailand and other products from South Korea and Japan, but now the majority of

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goods are produced in China. The economic analysis has shown that the price of footwear has remained the same for 13 years despite inflation because of the economies of scale in Chinese production. What is being produced in China now is equal in quality to what can be produced elsewhere, but it is being produced much more cheaply. In a broad economic analysis, we are each \$3 400 a year better off because of our relationship with China. What should a forward-thinking government be doing during an economic downturn? There are two options. We can follow the depression and cut international links, become insular and forget about our neighbours, or we can invest. Queensland, which with Western Australia was previously the other state most engaged with Asia, is investing more and is getting more benefit, through international students, trade and tourism.

I refer to page 151 of the *Budget Statements*. Another prediction I made last week was that the government would cut the Thailand trade office. I had that on very good authority. When I went through the budget, I discovered that not only the Thailand office is being cut, but the Western Australian presence in Taiwan, Hong Kong and Malaysia is also being cut. That rang alarm bells because the government has not been to South East Asia; all that the Premier has bothered with is a quick trip to Japan to try to save face because he promised he would save the Inpex project, but he could not. He went to Japan anyway, which was useless. He did not go to China, which is our number one trading partner and neighbour. I will follow this up in estimates: the Malaysia office, which serviced both Malaysia and Singapore, has been cut. That took in West Malaysia, Kuala Lumpur and the peninsula. It also included Sabah and Sarawak, which are both very important and close trading areas for Western Australia. The government has sliced Taiwan, Thailand and Hong Kong; they are all gone. The government has the audacity to include a three per cent efficiency dividend in the budget papers, yet it is cutting our trade offices. The government's mentality in understanding the importance of international trade in harsh economic times such as these is such that it identifies international trade as something to which an efficiency dividend should be applied. Worse than that, the government has also cut funding to maintaining ties with Western Australia's Chinese sister state, Zhejiang, under the efficiency dividend. In 1997 we celebrated 20 years of that relationship. The government has forgotten not only the messages of Sir Charles Court by not looking after His Majesty's Theatre, but also what previous Premiers, Labor and Liberal, have done to enable us to enjoy the economic prosperity we have had for eight years. Some senior members will know that the Chinese and the Japanese work on relationships. Some of those very early relationships that have been sustained year after year—35 years in the case of our Japanese sister city of Kagoshima, which I visited with the Lord Mayor—those ongoing and nurtured relationships that have seen us through the bad times and sustained us in the good times, have been cut by the present government. To me this is not only cultural barbarism, but also economic vandalism. The government should look at what happened during the Depression, when the US and other countries closed their doors to trade because of a very narrow understanding of international relations. Members all know that the world is united and suffering now because our economies and cultures are so interlinked.

Western Australia is suffering less than most; it is doing incredibly well at the moment because of the foresight of eight years of the previous Labor government, and going back to the days of Sir David Brand—people who engaged with Japan, Korea and China. The government should have a look at the city of Perth as it is now; there is a lost language of cranes. All the cranes are going up and down all day. When one talks to businesspeople, one discovers that business is still very good here. However, we are facing an abyss, and what is the government doing? The government is digging the hole deeper, instead of actually providing some support. I find the barbarism of closing down our trade offices narrow and petty and absolutely bourgeois in the worst sense of the word. It is something that the government will rue.

Our exports were worth \$68 billion annually. The Carpenter government expended a tiny \$7 million on trade offices in 15 locations in 12 nations. Those ongoing relationships generated \$68 billion in trade, and what is the present government doing? It is cutting the trade office in Thailand, which is Western Australia's fifth closest trading partner. The government needs to look at the Western Australian figures and forget about the eastern states; they are adulterating our figures. We have to look at our relationships in Western Australia. I am particularly concerned about the Malaysia office, as it also services Singapore. Again, Singapore is allegedly in recession, but it has proven to be an economic driver. There are a number of people in my electorate from Singapore who own properties in Western Australia; their children study here and they are seeking permanent resident status. Our relationship with Asia is not just one of trade, and multiculturalism is not just about ethnic folk dancing. The world we live in today is very complex; nurturing a modern, progressive state such as Western Australia takes a lot of work, and it is not just economic work.

I turn to other parts of the Perth electorate. So much was done in education under the previous state government and through federal Rudd government funding. I was talking to a chair supplier in my electorate last night at a Chinese function. Business has never been better. The spin-off from the investment by the Rudd government in

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schools across Western Australia benefits many small businesses and their local suppliers. We have to understand that about investment by governments. A three per cent efficiency dividend does the complete reverse. The government should be investing more, and investing in capital things such as education and particularly the arts. Perth Modern School is another heritage icon, and it has not received a cent in the budget for important heritage works. More than \$1 million needs to be spent urgently at Perth Modern School. Heritage schools need different amounts of money; if it is left for another five years, it will cost the government three times as much.

**MR M.P. WHITELEY (Bassendean)** [9.26 pm]: I will begin my speech with some remarks about the payroll tax initiative the government has taken in the budget. It has allocated \$100 million in a one-off payroll tax relief package. I am supportive of the provision of one-off relief to the extent of \$100 million, but I am highly critical of the way in which this relief package has been structured. It could actually have the perverse effect of costing jobs, and I will return to that in a minute. I will talk a little about payroll tax before I do that. It is a pity that the former member for Fremantle is not here, because —

**Mr J.N. Hyde:** It is indeed—a great pity!

**Mr M.P. WHITELEY:** Yes, I could talk at length about that, and perhaps one day I might!

It is fair to say that we did not always have the warmest of relationships, and perhaps part of that was due to my early obsession with motions on payroll tax, which I would move at the Fremantle branch of the Australian Labor Party when I first joined the Labor Party. In fact, the number of motions I moved on payroll tax actually exceeded—this might surprise many members—the number of motions I have moved on ADHD. In fact, I was considered to be somewhat obsessed about the whole notion of payroll tax. I think the member for Fremantle got a bit sick of those motions—both ADHD and payroll tax—and that may have perhaps put our relationship on a rocky road.

**Mr J.N. Hyde:** It drove him to resign!

**Mr M.P. WHITELEY:** It could, in fact, account for his early departure! Perhaps I mentioned to him that I was going to talk about payroll tax today, and he may have been driven out of Parliament as a result, so I take full responsibility for the loss of the Fremantle electorate!

Payroll tax is unequivocally a bad tax, because it is a tax on jobs. It is a bad tax that we are stuck with because of the problem of vertical fiscal imbalance, which I am sure members are familiar with. Much of the revenue relied upon by the states is money from the commonwealth government. The range of taxes that the states can effectively rely on is very narrow, and they have some very poor characteristics. I consider payroll tax to be the worst of all such taxes. When I used to argue at the Fremantle branch of the Labor Party that payroll tax was an attack on workers, people would look at me quizzically because I would argue for long-term reforms that would actually look at methods by which we could abolish payroll tax. It was a fairly left-wing branch of the Labor Party, and they would look at me as though I were trying to give some sort of break to big business. In fact, I was not trying to give big business a break. I think payroll tax is an attack on workers, because some of that money that ends up in the pockets of the taxman could be redirected to higher wages for workers. The removal of payroll tax would result in more jobs and a greater demand for labour.

At the time, a couple of new ideas were floating around to replace payroll tax. One was an idea of the Australia Institute that I tried to peddle through Labor Party branches. The idea was that payroll tax could be replaced with a carbon tax. It was said that it would have environmental benefits and job benefits; in other words, carbon emissions would be taxed, which would create an economic incentive to reduce carbon emissions. The revenue gained from that at a federal level could be redirected to the states and territories to help them fund the abolition of payroll tax—a tax on jobs. I first started peddling this idea in 1996, although I acknowledge that the Australia Institute came up with this idea. The time has probably come to take a fresh look at that idea.

The other idea that I thought had merit was substituting the tax on payroll with a tax on profits—that is, increasing company tax by a small increment to help the states and territories abolish payroll tax. Why do I think that would be preferable to maintaining payroll tax? Payroll tax is a progressively levied tax. Normally I am a great fan of progressive taxes—I think the more people earn, the higher the proportion of their income they should pay in tax. Payroll tax should not fall into that category, because we should not be penalising big employers with a progressively structured payroll tax system that stops employers from taking on extra staff. The more staff companies take on, the higher proportion they must pay in payroll tax. The fact that it is levied progressively is a disincentive for employment. A slight increase in company tax—I cannot remember what it would need to be increased by, but it was a fairly modest amount to enable the states and territories to abolish

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payroll tax—is much more desirable because it is a tax that applies only when companies are in profit. Payroll tax can be the straw that breaks the camel's back; it can send a large employer down the gurgler and it can cost people's jobs. Typically, when businesses get into trouble, one of the first things they look for is relief from payroll tax, because it is applicable regardless of profit levels of an enterprise.

I notice the member for Willagee is in this place, and he may even remember some of the motions that I advanced to the Fremantle branch as far back as 1996 about ideas for the abolition of payroll tax.

**Mr A.J. Carpenter:** Yes!

**Mr M.P. WHITELEY:** He may also remember the responses I got. As with a lot of my ideas that I present, it fluttered out there and sunk to the ground without a lot of support!

**Mr A.J. Carpenter:** After appropriate consideration!

**Mr M.P. WHITELEY:** After consistent consideration! However, I still argue that it is an issue that we need to look at. To be realistic, the long-term reform of payroll tax needs to have a mechanism that involves cooperation between the commonwealth and the state and territory governments. It needs to be done in such a way that is reflective of the differential rates of payroll tax within the different Australian states and territories.

That is what I wanted to say about the long term and the big picture, but what is needed now is a short-term relief measure that will offer \$100 million of relief on payroll tax that should be paid in the 2010-11 financial year, but calculated on the payroll level of the 2009-10 financial year. I can identify two problems with the approach that has been taken. The first is a cash flow problem. I do not think this is the major problem, but there is a cash flow problem. If businesses are trying to keep people in employment, they need cash flow through 2009-10 to get to 2010-11, when the relief is obtained. That is a problem, but it is not nearly as substantial as the second problem I will point out.

**Dr K.D. Hames:** Can I just ask you a question on something I do not understand? Do they pay it through the year as they go along, or do they pay it at the end of the year?

**Mr M.P. WHITELEY:** Yes.

**Dr K.D. Hames:** As they go along?

**Mr M.P. WHITELEY:** Yes.

The relief that the government has offered, from memory, is graduated between payrolls of \$1.6 million and \$3.2 million. I may have that figure wrong, but I notice the Minister for Agriculture and Food is nodding.

**Mr D.T. Redman:** Yes, it is something of that order.

**Mr M.P. WHITELEY:** The relief offered is in that band, but it peters out. Companies receive maximum benefit at \$1.6 million and no benefit at \$3.2 million. If an employer who employs \$3.4 million worth of staff is looking at cutting jobs, there is this artificial incentive to cut back to \$2.5 million to receive the payroll tax relief. That is the potential perverse effect of this package. As it is structured, it could encourage some employers to cut jobs, even though the very intention of it, I presume, is to create jobs.

The member for Riverton is in this place, and I think he would like what I am about to say: it is a distortionary tax because it is levied at different rates. That is not good tax policy. But what is the alternative? The alternative is to take that \$100 million and spread it out across the existing rates of tax. That would be \$100 million—which is about 4.5 per cent—in potential relief, and, from the \$2.216 billion that is anticipated to be collected from payroll tax in 2009-10. Why not offer a 4.5 per cent general one-year decrease in the level of payroll tax? Leave the bands as they are, but just decrease each rate by 4.5 per cent. That would mean 95.5 per cent of what would have been collected can be collected immediately because it is simply collected at a rate that is 95.5 per cent of what would have otherwise been collected. That will result in a small financial cost to the government because it is collecting money at a slower rate in 2009-10, but, as compensation, it will not have to pay it back in 2010-11. If that is the case and the tiny effect is a decrease in tax collected of maybe \$2 million, cut the rate to 4.3 per cent, which would have no financial effect. If the reduction in payroll tax were cut to 4.3 per cent, it would be more than adequate to compensate for that early financing of this initiative. It would also put money in the pockets of employers, and ultimately it would put money in the pockets of more employees because it would encourage more jobs. There would not be that distortionary effect as has happened under this government of spending \$100 million to create jobs and, in doing so, creating a perverse incentive which could result in the loss of jobs. That is an absurd outcome, considering what it is trying to achieve.

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That result is symptomatic of problems that are beginning to emerge with this Treasurer and this government. I used to listen to the Treasurer when he was in opposition and we were in government, and he has always been a bit of a buffoon, there is no question about that; I will not go into the history. I thought the guy had some substance, but he does not! That was revealed by his performance during debate on the Treasurer's Advance Authorisation Bill, which involved a request for expenditure of \$1.2 billion for 38 line items. The Treasurer did not have his head around those 38 line items. The Treasurer put in an appalling performance during consideration in detail, whereby he simply did not have the documentation in front of him to be able to explain the details. I have sat in that position during a third reading. I dealt with the Biosecurity and Agriculture Management Bill as the parliamentary secretary to the Minister for Agriculture and Food, a subject with which I have very little familiarity. I do not have a background in agriculture. That bill had 180 clauses. When it came back from the Legislative Council, it had about 200 amendments. I was not an experienced member of Parliament but I prepared for it; I had briefing notes and I had advisers who could point me in the right direction. We got through the process because we were prepared. The Treasurer had done no preparation. The only thing that saved the Treasurer's performance on that occasion was the fact that the Premier, with an outbreak of irritable Barnett syndrome, jumped into the chair, threw the Treasurer out and blustered his way through consideration in detail, completely undermining the Treasurer's position. As I said at the time, thank God for the Premier's performance of one out of 10 because relative to that, the Treasurer's performance of four out of 10 looked outstanding.

Very rarely have I spoken about matters economic since I came to this Parliament but I am actually an accountant. I could be wrong but I suspect that with the retirement of Hon Ray Halligan —

**Dr M.D. Nahan** interjected.

**Mr M.P. WHITELY:** Is the member for Geraldton an accountant?

**Dr M.D. Nahan:** No, the member for Carine.

**Mr M.P. WHITELY:** Anyway, I am one of the few accountants in this place. I will have a lot more to say about accounting and economics. I am looking forward to having some fun with the Treasurer because he will be dealing with a lot more complex issues in this budget than he dealt with in the Treasurer's Advance Authorisation Bill. He will have to take a lot more responsibility for it than he did in the Treasurer's advance bill. There is no escaping it. We will be reviewing his expenditure, although in the Treasurer's Advance Authorisation Bill, we were actually dealing with the Treasurer's inability to deliver our budget.

I support the \$100 million that has been allocated for one-off payroll tax relief. However, it is possible to spend \$100 million and do damage, which is exactly what is in danger of happening here. It is a distortionary application. It would have been much better if it had been applied as a consistent 4.5 per cent, or even 4.3 per cent if we take in that financing cost, cut across the board. The Treasurer has taken a distortionary approach. I would be interested to hear what the member for Riverton has to say. I notice that he is in the chamber. I am sure he is not a fan of distortionary approaches. If he wanted to interject on me at any time and provide a critique of my analysis, I am sure that would be welcomed.

**Dr M.D. Nahan:** It is distortionary information but if your target is to particularly help small businesses, 90 per cent of them are exempt from payroll tax already. But if you want to target those close small businesses, the distortionary effect is probably not that great.

**Mr M.P. WHITELY:** What about the scenario I put out where there is a disincentive? If a business is over the threshold, there is an incentive to lay people off and come back and receive some of the benefits. Does the member acknowledge that that is a possibility?

**Dr M.D. Nahan:** It is but people do not play around with payrolls, especially with on and off costs of labour, just to meet minor changes in taxes. I don't think you see too many firms who just lay people off or refuse to hire just to get a lower threshold for tax.

[Member's time extended.]

**Mr M.P. WHITELY:** Presumably, the intention of this initiative is to help businesses protect jobs. Let us not argue about the quantum and how many jobs \$100 million will save. Would the member agree that it would have been better if we applied it across the board? If the pure motivation behind this is saving jobs in a time of financial crisis —

**Dr M.D. Nahan:** I think it's suitable to focus in the short time period on the people that smaller firms —

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**Mr M.P. WHITELEY:** What strikes me about the member's nature is that he is a fairly dispassionate economic dry. This was one of the accusations that I encountered when I argued with the left of the Labor Party down at Fremantle. I think big business is good and big numbers of employees are good. I like businesses that employ lots and lots of people.

**Dr M.D. Nahan:** My point is that Rio Tinto is not very sensitive in terms of their employment to payroll tax rates. It is just not that sensitive to it.

**Mr M.P. WHITELEY:** Rio Tinto is not a \$3.2 million employer; \$3.2 million is really only a medium-sized business. There are medium-sized businesses that would be encouraged to lay off staff as a result of this initiative. Does the member agree?

**Dr M.D. Nahan:** It is an empirical issue at the margin and it is not huge. If you wanted to target especially small businesses that are struggling with this environment, they're the ones you have to target because tax is a significant issue both to cash flow and wage costs. You would target it for the short term. If you were going to put this in permanently, your argument has more merit.

**Mr M.P. WHITELEY:** Rather than taking my 4.3 per cent and putting it across the whole spectrum, if we are talking about small to medium employers and we want to take pressure off them in the short term, would it not make more sense to maybe put the cap at \$10 million or \$15 million—let us not quibble about the quantum, but the member understands the point I am making—so that we capture small to medium businesses and we do it in a way that is consistent? I imagine if we are going to provide that sort of relief, we might be able to provide relief of eight or nine per cent. I am picking the figures out of the air. The point I am making is that the government could have provided substantially greater relief for small to medium-sized businesses and protected substantially more jobs.

**Dr M.D. Nahan:** If you were going to allot this in the long term, I think your argument is valid. If you were going to do it just as a one-off, I don't think people are going to adjust the workforce significantly just to effect a lower rate for a year. As to payroll tax as a whole, we would love to get rid of it if you found some other tax-based replacement.

**Mr M.P. WHITELEY:** I have made two suggestions. One is some sort of profit-based tax at a federal level. If my assessment of the government is wrong and it is a great innovator—that would really surprise the living daylight out of me—perhaps the member could encourage the government to take it up at a federal level. Perhaps some of my ideas may have more resonance with the current Liberal government than they had all those years ago with the Fremantle branch of the Labor Party. I am glad to hear the member for Riverton's contribution. I am glad that we agree that the approach that is being taken is distortionary and it may have been better to target it so that the full impact was on medium-sized businesses. We could have given stronger relief and we could have given it in a way that did not phase out so quickly so those who were looking to take on new workers or protect the jobs that they had were not encouraged through a distortionary approach to tax. I am glad that we share the same view on that issue.

The other issues I would like to touch on fairly quickly affect my electorate. One that left me absolutely dismayed was to hear that the replacement of the Governor Stirling Senior High School—\$63 million was identified by the former Carpenter Labor government to build a brand-new state-of-the-art facility on the existing site by 2012—has been put back to 2014. It was supposed to start in September 2009. Planning was going ahead in line with our commitment. I understand that there was no impediment to the first sod being turned in September 2009 and completed by the end of 2012. We have now been told that none of that will happen: no work will start until December 2010 and completion will not be due until 2014. That directly contravenes the undertakings given by the Liberal Party in the lead up to the previous election. This will hurt the member for Swan Hills. He is going to be a "oncer". I confidently predict that he will hold his seat for only one term because of his failure to stand up for his community. We call the Minister for Education "gagger" these days. I wrote to the minister, albeit I do not have the letter with me today, who gave an undertaking that this would be on track and that it would be done. Yet here we are at the ultimate test—that is, only three more sleeps, only two more sleeps, only one more sleep and the sleeps have all gone—and we have been ultimately disappointed. The minister has failed to deliver. I am astonished by the Minister for Education. I used to be somewhat of a fan of the member for Churchlands before she was a minister; however, I must have been sucked in by her self-righteous indignation. I am appalled that Governor Stirling Senior High School—which is, quite frankly, physically the worst school that I have seen in Western Australia and one that needs to be replaced, as was recognised by and committed to by the former Labor government—has been cut. The minister has breached her undertaking.

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**Dr E. Constable:** It has not been cut; it is still going to be done.

**Mr M.P. WHITELY:** It is not going to be done until 2014.

**Dr E. Constable** interjected.

**Mr M.P. WHITELY:** Next year? It was supposed to start this year in September. The minister has no interest in education for kids outside the leafy-greens in the western suburbs.

**Dr E. Constable:** Don't be ridiculous.

**Mr M.P. WHITELY:** I am not being ridiculous. I am absolutely thankful that the former Labor government committed the \$13 million necessary for the rebuild of Lockridge Primary School because the minister would have cut that funding as well. I am glad that the work has been done at Lockridge. The minister cannot bring herself to visit the community that I have fought for. The former Premier may remember when I made a plea to him about Lockridge Primary School at a caucus retreat in Mandurah. I considered it to be a school that was in urgent need of replacement and the then Premier and then Minister for Education, that is the member for Rockingham, heard my call. I specifically visited Lockridge Primary School, which is in my electorate, with the former Treasurer and now Leader of the Opposition, to announce funding for that very worthwhile project. All sorts of celebrations were supposed to occur for the Lockridge community. We were supposed to have the turning of the first sod. The member for Churchlands, as the Minister for Education, should have come to Lockridge but she cannot get out of the western suburbs. She cannot get out of the western suburbs to see real communities and deal with real people. The work is going on, but the people have been denied those necessary celebrations. The Minister for Education should come out and celebrate. She can take credit for the work. I do not care because credit goes to the institution of government and the minister is now part of that institution—that is, the government of Western Australia. The minister should help the community understand and be excited about a very valuable project. I would hope that she would have the good grace to invite me. Frankly, I do not think it matters all that much because my constituents all know who fought for this project and who delivered on it. Certainly, the Minister for Education has shown no interest in coming out and being part of the project.

While the Minister for Education is in the house I will raise another issue for clarification. The current public consultation period for the Ashfield precinct plan has, because I met with the Minister for Planning, been extended by three weeks and I thank the minister for agreeing to the extension. I think it was wonderful because there was a problem with the way that information was distributed in my electorate. The Department for Planning and Infrastructure mail-out missed some people who live near to the Cyril Jackson Senior Campus playing fields. Obviously, the Ashfield precinct plan intention to redevelop the Cyril Jackson playing fields as housing had a direct effect on their community and where they live. It was a pity that they were not informed. When I became aware of that lack, I lobbied the Minister for Planning and he agreed to extend the public consultation period by three weeks.

It is fair to say that there is a lot of angst from people who live around the Cyril Jackson school playing fields. I attended a special ratepayers meeting at the Town of Bassendean last week and there was a lot of anger and a lot of people saying that they did not want to lose this public open space. Because they walk their dogs there and their kids play there, they want that open space maintained. At that meeting, the Mayor of Bassendean, Tina Klein, somebody for whom I have enormous respect and with whom I have developed a very good working relationship, and the new chief executive officer, Bob Jarvis, indicated they had that very day received verbal advice from the Department of Education and Training about Cyril Jackson Senior Campus. Cyril Jackson is currently a second-chance college—something the Minister for Education probably does not know, which suggests her level of knowledge across her portfolio is fairly narrow—that deals with a lot of refugee students through its intensive language centre and other students who are having a second go at their education. That advice indicated that the education department's long-term planning involves moving this second-chance college, thereby making the school site surplus to the department's requirements. However, that meeting was advised that the Department of Education and Training had changed its position and that in fact it looked like the entire site of the Cyril Jackson Senior Campus may be needed for a future high school. I heard only this last week. I have written to the Minister for Education. My letter should arrive at her office shortly and I would like the minister to respond. In that letter, I have requested written confirmation that the Cyril Jackson school site will not be developed for housing and that it is needed in the long-term as a site for a standard secondary school.

**Dr E. Constable:** I look forward to receiving your letter.

**Mr M.P. WHITELY:** And I would love to receive a response from the minister very quickly and the people of Ashfield and Bassendean, who live around the school, would also be very grateful.

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**MR A.J. CARPENTER (Willagee)** [9.57 pm]: Budgets are fascinating procedures and experiences. The basic position that one should always come from is that of being up-front with the people for whom the budget is being framed; that is, the public of Western Australia. I think this government has failed that very first test. It has failed its first test in the construction or development of a budget; namely, the test of openness, directness and accountability to the people of Western Australia who provide the funds that the budget seeks to expend. Anybody who listened to the Treasurer's budget speech would understand exactly what I am talking about. We have seen a few unusual situations in the Parliament, including the behaviour and performance of the Premier and the Treasurer in their short time in government.

The budget speech was remarkable for a couple of features and most remarkable for what it did not include. I have covered budgets as a journalist. I have been involved in scrutinising budgets as a backbench opposition member. I have been involved in budget processes as a minister. I then worked on four budgets as part of the expenditure review committee or ERC process; I was at the heart of the budget formulation process and of the creation of the message that the budget process seeks to deliver to the community. I do not think, in my 25 or 30 years of involvement, that I recall a budget speech in which the Treasurer has deliberately omitted to tell the community of Western Australia some of the most significant facts of the budget; in this case, that household fees and charges are going to rise by something like \$335 in the first year of the new budget. The Treasurer did not mention it in his budget speech. That remarkable omission says a lot about not only the government and its approach to its responsibilities, but also the personalities of those entrusted with responsibility for the budget process. I fear that the Premier and the Treasurer have a disdain for the budget process, for Parliament and for accountability. The accumulated record of the member for Cottesloe, as a minister, Leader of the Opposition and now as Premier, shows evidence of that. When he was a minister, he had no regard whatsoever for budget discipline, nor, I might add, for cabinet discipline. Everyone who was around at the time knows that the member for Cottesloe, as a minister, used to quite openly talk about issues that should have been restricted to the cabinet room and about his cabinet colleagues. More significantly in this context, I think, he had no regard whatsoever for budget discipline. As a minister, he regularly freely overspent his budget. When I was the shadow Minister for Education, I pointed out the massive overspends in the education budget when the now Premier was the Minister for Education. The then Under Treasurer and various ministers complained about it and some tensions developed as a result. As the Leader of the Opposition, but certainly as a freelancing commentator on the back bench and as a person of significance in the opposition, he came out with the remarkable assertion that the forward estimates do not matter and are not worth the paper they are written on. We heard in the debate on the budget over the past couple of weeks that the budget is, essentially, a one-year document and that the forwards estimates do not matter. They do. Of course they matter. It was ridiculous to assert that they do not. In any jurisdiction where people take those matters seriously, he would have been called to account for that ridiculous assertion, but here it seems to go blithely without comment. Where is the analysis of that remarkable position that the Premier of Western Australia—the engine room of the national economy—takes? Where was the analysis of it? Who has commented on the ridiculous position that the budget matters only in the year that it is brought down and that the forward estimates do not matter at all? There is a disdain for the budget process and for the accountability that should attend the budget process. That has been evidenced in the past week or so. It is a disdain that I am not sure is shared by the Treasurer, who seems to treat everything as though it is part of a vaudeville act. He has very serious responsibilities. He is the Treasurer of Western Australia, which is economically the most significant jurisdiction in Australia. It is the nation's engine room. He brought down a budget that will impose a very significant—perhaps the single biggest—increase in household fees and charges ever to be imposed upon Western Australia, yet there was no reference to it in the budget speech. It virtually went without comment. Nobody seemed to mind. It does not seem to matter. It is remarkable that the Treasurer should stand in this place and deliver a speech that was so deficient and get away with it.

I hate to say this, but can members imagine—I have—the outrage that would have occurred if the now Leader of the Opposition, as Treasurer, had performed in that way and if I, as the Premier, had stood up and said that it did not matter that we were headed for a massive debt burden for the state in the forward estimates because the forward estimates do not matter a fig? Can they imagine also the outrage if the then Treasurer had delivered a budget speech in which he made no reference to the increased impost on the taxpayers of Western Australia? I cannot imagine what the reaction would have been, but I can guarantee that it would not have been anything like the half-hearted shrug of the shoulders that we have seen regarding this budget.

I understand that very difficult circumstances have impacted upon the formulation of the budget. Everyone who has any concept of what it is like to form a budget, even in the best of times, has an understanding of what it is like to do it in more difficult times. The economic circumstances were not good in our first year or two of government. They were very difficult, and we had to impose some very difficult measures to increase the taxes

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and charges of the population of Western Australia. We went so far as to announce that we would impose a premium property tax, which we later recanted on because it was seen to be a rather significant error of judgement. The then Premier, Geoff Gallop, spent a lot of time trying to explain his regret at having been convinced to go down that path. We were confronted with scenarios that would have led us into deficit and we had to react accordingly. We had to cut spending and reprioritise programs, but we were always, in my recollection, up-front, open and honest with the people of Western Australia. That was a discipline that the then Premier, Geoff Gallop, demanded of members of the cabinet and caucus. We had to be up-front and explain to the people what we were doing and why. He believed, and I shared that belief, that if we did that successfully, we, as group, would maintain the support of the community. By and large, apart from one or two issues—I have already touched on one of them—I think we maintained the support of the broader community against the tide of adverse comment that flowed from the commentators who were outraged at what we did and who now shrug their shoulders and seem to think that anything goes. They go even so far as to shrug their shoulders when the Premier of the most significant jurisdiction of Australia says that the forward estimates in the state budget do not matter and mean nothing. Why provide them to us if that is the case? As a cost-saving measure, why not provide a 15-page budget document that outlines only what will be spent in the forthcoming financial year? That is not done because the assertion is ridiculous.

Western Australia is in a very difficult financial position, and we may or may not emerge from it strongly. I sincerely hope that we do. Although some people say that it would be good for the opposition politically if the government were confronted with economic difficulties and disaster, I do not want that to happen; far from it. We spent too long in government trying to position Western Australia for long-term economic and therefore social success for us to want to wish all that away. Some significant measures in this budget should be held to account and called into question. I heard today the Treasurer demand to know where we would cut expenses from the budget and how we would reduce debt if we were to not support his budget in toto. It is a fair enough question, and I will give one small example. In this budget, \$550 million—more than half a billion dollars—has been allocated to the extension of Roe Highway stage 8. That is bad policy. It is a bad decision. It is not a decision that is driven by commonsense. I believe it is decision that has been driven by a form of prejudice and a desire to impose the Premier's will, irrespective of what people in the region that the road will traverse think and without regard to good planning policy. It is no longer good planning policy. There is \$550 million right there that could have and should have been allocated to another priority. Some of it, for example, might have gone to the very worthwhile project to extend the rail line to Ellenbrook, but no. A commitment has been broken with regard to that project. Many commitments have been reneged on and they are now evidenced in this budget by their absence, and that is one of them.

**Mr F.A. Alban:** What about the new rail line to West Swan?

**Mr A.J. CARPENTER:** The rail line to Ellenbrook is one of them and anyone who has a memory that extends beyond more than seven and a half or eight months knows it. That is one of them, and there are others. I do not know whether previous speakers have outlined them, but a list of them has been providentially provided by the office of Leader of the Opposition, and I will go through them. I refer to Buswell's budget casualties that have been cancelled, deferred, cut or reduced in scope. The Midland health campus is not funded to the level that it needs to be. What sort of decision is the 330-kilovolt powerline from Pinjarra to Geraldton? This is a decision that I believe is born of a form of prejudice. I do not know whether that is the right word, but it is a determination that initiatives generated under the previous government should not happen. That is a ridiculous position to take. The government must look at the best policy position that will lead to the best outcome for spending the money. A stand-alone gas-fired power station to service some of the private developments that may or may not happen at Oakajee is not the best answer. It is obviously not the best answer. There is no funding for such a project in any case. All that exists is the elimination of the funding for the power line from Pinjar to the mid-west; it has been removed. It is very bad decision making. Other casualties are the South Perth train station, Midland train station and the Albany waterfront development. I could spend a bit of time talking about Albany because it is part of the state that I hold dear to my heart.

**Mr R.F. Johnson:** You were born there.

**Mr A.J. CARPENTER:** I was. It flourished under the government I served in. How sad it would be if we ended up with a scaled down, second-rate development on the Albany waterfront. That is exactly what the opponents to that project said would probably happen: "You will end up with a scungy little box with a curved roof on it that will not do the job you've promised". That should not be allowed to be the result. It is to be a magnificent development for not just Albany, but also the entire great southern region and it should be allowed to be developed as proposed. I will go straight from that to the Albany Regional Hospital because I want to use it as a

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case study for what I think could end up as a major political issue for the state, and that is: what is happening to the royalties for regions program? Does anyone seriously believe that there is legitimacy in the royalties for regions program being used to replace what should have been expended normally by government departments in simply furthering and improving services? That is what has happened here. What is being perpetrated on the people of Albany and the people of the state of Western Australia is a fraud. All three major political parties—the Labor Party and the Liberal Party, I think, supported by the National Party—committed to building a hospital in Albany. There was argument about whether it should be a complete rebuild in a staged redevelopment to minimise disruption to services, which would have been the best process, or a completely new facility, which I always asserted would take a hell of a lot longer than the then Liberal opposition was telling people in Albany it would. Here we are, and already it is delayed. Not only is it delayed but half of the allocated funding is ascribed to the royalties for regions program. That is a fraud. There is absolutely no justification for that \$60 million out of \$130 million being drawn from the alleged royalties for regions program. If that process continues, there will be a simple substitution process, whereby all the money that was to be spent on regional Western Australia is rebadged as royalties for regions. It is happening already in that clear example. That is inexcusable and I believe it is a sleight of fiscal hand, which should be exposed and the government should be held to account for it. If the government does it there, where else will it do it? Albany is being belted around by the winds of economic trouble. It needs support from the state and federal governments. Albany constituents are lucky because they have a very good local member who can bring their case to the appropriate forums. This \$60 million is not money that should have been allocated for the royalties for regions program. I can go on about Albany but I will leave it there. I seek an extension of time, Mr Speaker.

[Member's time extended.]

**Mr A.J. CARPENTER:** I will talk briefly now about the hash that is being made of the development of major sporting facilities by the current government. I have a lot of sympathy and a lot of respect for the current Minister for Sport and Recreation. He is a very good person who understands pretty much the needs of the sporting community but he is being placed in a very unenviable position where he is effectively letting everybody down and, therefore, himself. I do not like having to say that, and I hope it eventuates that it is not the case. However, this is what we have at the moment.

Take Subiaco Oval. The Australian Football League is currently in serious negotiations with the Western Australian Football Commission about a staged redevelopment of Subiaco Oval, because it has effectively given up waiting for the tick for a brand new multipurpose sporting facility at Kitchener Park. I heard some acclamation of that development on Friday night when I was at the football. Nothing could be further from reality. It is not something that should be welcomed; it should be seen as a massive failure. Once the organisations and the state start pouring money into the redevelopment of Subiaco Oval, that is the end of our once-in-a-lifetime opportunity of getting a world-class multipurpose sporting facility in this city. It will be too costly to do the redevelopment and then build a new stadium altogether. We will be stuck with an ongoing patch-up of Subiaco Oval.

Those who go to Subiaco Oval will know that when there are between 35 000 and 40 000 people there women have to line up for 20 or 30 minutes sometimes to be able to use the toilet facility, while men line up right next to them to go and have a beer. The seating arrangements in some parts of the stadium are highly inadequate, and the corporate facilities are inadequate. It compares most unfavourably with sporting facilities in Melbourne and other parts of Australia. The decision that we made in government to build a new facility was costly but it was the right decision. Ultimately, going down the path of the patch-up job will cost the state more. It will cost the state financially, and it will also cost us in lost opportunities to attract sporting events.

If we lose the opportunity to develop a multipurpose sporting facility with the capacity for retractable seating, we will be driven to redevelop a rectangular stadium, or build a new rectangular stadium, and therein lies the other part of the cost equation. The Victorian government is now embarking on a project to build a 32 000-seat rectangular stadium at a cost in the vicinity of \$250 million. The numbers that have been talked about in Western Australia for the development of a 40 000-seat stadium are hopelessly short of the mark. We are talking about \$100 million or \$150 million, and it will not happen at that price. I will not go into the history of it, but I have been intimately involved in this debate since when I was the Minister for Sport and Recreation and went to South Africa to convince South African Rugby Union officials to support a Super 14 side to be based in Perth, Western Australia, rather than Melbourne. There was a related stadium development that would go with it. It was going to be a 25 000 seat redevelopment of Members Equity Stadium, but that project collapsed when the rugby union community thought that it would get 35 000 people at every game, and wanted to go to either Subiaco Oval or a

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40 000 seat stand-alone facility. In any case, failure to develop a new stadium at Subiaco is a very bad decision for the state. It will cost the state financially and in lost opportunities.

I want to park the bus and just talk briefly about another development that came to fruition under the previous government, and is about to be opened. It is the Western Australian Athletics Stadium—AK Reserve, as it was known—which was built to replace the white elephant of Perry Lakes Stadium, the State Basketball Centre and, I think, the rugby centre. That facility is about to be opened, and I put it to the government—I do not know whether it has already been considered—to name the stadium in honour of Wally Foreman, who did so much to promote sporting facility development in the state of Western Australia over such a long period. I would like AK Reserve to be known as Wally Foreman Field in honour of the work that Wally Foreman and his wife, Lynn, did to further the development of an adequate athletics stadium and facility in Western Australia. I hope that the government can take that idea on board and give it some consideration. To me, names like that have much more resonance for the community than the Western Australian Athletics Centre, or whatever the alternative might be.

I want to outline some of the other projects that have been deferred, cancelled or reduced by the government in this budget, and demand, if I can, that some attention be paid to the fact that this is happening. I refer to the Carnarvon justice complex—what an argument; what a debate the previous government had about where in the city of Carnarvon the justice complex should be placed. It involved everyone in the community. We finally came to a decision after several meetings with the shire president, Dudley Maslin, with shire officials and others. I found them to be genuine people who were genuinely motivated and trying to do the best for their community, and in the end we came up with a solution that accorded with their wishes in general. Now it has been cancelled. What a blow. Is this the benefit that regional Western Australia is drawing from the National Party's engagement in government? Is this the benefit? Is this what the National Party does to the people of the Murchison area in return for support at the election?

I have already mentioned the Albany Regional Hospital. Other projects include the Busselton District Hospital and the new electricity transmission line to Albany. I can understand that some questions were asked about this one, because it related very strongly to the progress of the Grange Resources project, and it may well be that that project, because of the current international financial circumstances, has some question marks over its time lines. However, it was very important for bolstering the network in the great southern area, and a better option than the gas pipeline option. The gas pipeline option would have provided a power station in Albany; there is nothing much in between that would require a power station. The transmission line would have bolstered the network all the way down via a different inland route—through the National Party heartland, in fact. It would have been a very significant augmentation of the industrial and economic infrastructure of the entire great southern area, and it is a shame to see it taken off the list of projects.

A string of health capital works projects have been shelved or delayed. What a tragedy—after all the work the previous government did on mental health and the flak that we received in return from the then opposition—to see what has now happened to the developments that would have aided mental health. The government has pushed the people who need assistance for mental health issues out of the way and relegated them to a non-priority position, and that is an absolute tragedy.

We are facing difficult financial circumstances, different budgeting conditions and a different dynamic for working on the budget process; everybody understands that, but there has been a significant failure of honesty in this budget process. The government has not been honest with the people of Western Australia. It is remarkable that, day after day, the Premier promoted the Oakajee port project, which would have happened with private enterprise funding under the previous government. Nevertheless, his decision was to allocate state funds to it, dollar for dollar, on a matching basis. The problem is that there is no allocation for it in this budget. There are no dollars for it in this budget. There are none. There are none for the Northbridge project. I do not believe that the government knows what the Northbridge project will cost. It went to the commonwealth seeking a dollar-for-dollar contribution and got something like \$250 million or \$260 million. I do not believe that the government has any idea what it will cost. I believe that the decision to progress with the Northbridge project now, which I like—I really like the project—instead of the riverfront project, was borne from that same motivation that I mentioned earlier in my speech: the riverfront project was a Labor government initiative and therefore would not be supported.

**Mr C.J. Barnett:** Surprise, surprise! We're going to do both.

**Mr A.J. CARPENTER:** Both governments would have done both. It is a matter of timing and priority.

**Mr J.H.D. Day:** I asked for the planning assessment of the —

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**Mr A.J. CARPENTER:** Unfortunately, the minister would not know anything about planning; he has no idea.

What we have seen in the short time that this government has been in office have been long processes that have been capped off in the final few months of their development by the new government. I give it credit for that. Good on it. But they would have happened anyway. However, the government has made some significant changes, and I believe that the Northbridge Link has been undercooked. The government does not understand how much it will cost, nor does it include it in its budget papers.

At the end of this short speech, I want to make one suggestion to the Premier. As soon as he possibly can, he should gather together a group of WA's senior business, industrial and economic people, get himself up to China and do what he can to boost Western Australia's trade prospects with China. I think, on the Premier's own account of his trip to Japan, that he let us down. It was ridiculous for the Premier of Western Australia to go to Japan and grovel to Inpex. It was ridiculous. Inpex would not accept the conditions that the state of Western Australia was asking of it for the development of that project. It refused to accept the conditions. Why should the state of Western Australia hand over freehold title to an island off the coast of Western Australia? Why should we walk away from our 15 per cent domestic gas requirement? Why should we? That is what Inpex was asking to start with. We were in the process of negotiating with Inpex away from those positions. Inpex did not like the conditions that were being required of it. There was no need to apologise. The Premier should have taken the advice that Richard Court gave to me: "Get up there and represent Western Australia as best you can and stand up to them. Put the case of the state of Western Australia. You are not there as the servant of anybody other than the people of Western Australia."

**MR J.C. KOBELKE (Balcatta)** [10.27 pm]: This budget has been framed at a time when the global financial crisis is impacting right around the world, and obviously here in Western Australia. The issue, I suppose, is to try to discern to what extent the government is taking on board the implications of that global financial crisis and the economic recession that is really rolling around the world, and to what extent it is using it just as a smokescreen to cover up its ineptitude and its uncertainty about what it should do. We will not be able to see for a while how well the Barnett government is handling this crisis and how adequate this budget is in responding to it. However, I fear that the government is setting a very low benchmark and, therefore, we will see the results of this budget selling Western Australia short. In my short time to speak, I will lay out some of the facts that I have found in the budget that cause me great concern about the lack of openness, honesty and accountability of this government, which leads me to fear that the government is just, as I said, using the global financial crisis as some sort of smokescreen for its ineptitude or whatever it is that is driving the government to its decision making, which it does not seem to be able to justify.

Let us look at what the current government inherited from the last Labor government. The budget shows a surplus for 2008-09 of \$647 million. That surplus is what remains after the current government has had its hand in the cookie jar and spent quite prolifically, so there would have been an even bigger budget surplus for the current financial year if the current government had not had a spending spree.

It inherited record low debt. The figures for the end of June 2008 showed state debt at \$3.6 billion. But what is this government doing? It has set a track to increase that debt to very close to \$20 billion over the forward estimates. In four years the debt will have gone from a record low of \$3.6 billion, and will be heading very quickly to a state debt of \$20 billion.

What about economic growth? Again, the budget papers show that for this financial year it is anticipated that the real gross state product growth will be eight per cent—eight per cent economic growth for Western Australia this year! That is record-type economic growth. It is not a situation whereby we are being hit by that financial crisis yet. It is there and it is a concern, but we do not need to try to mislead people as to what the actual impact has been.

That contrasts quite starkly with the situation that the Gallop government inherited when it came to government in 2001. In 2000-01 the real gross state product fell by 1.2 per cent, not grew. There was a recession in WA, with a decline in growth of 1.2 per cent by that measure. Of course, that followed on from five out of eight budget deficits of the Court-Barnett government.

**Mr C.J. Barnett:** You actually think there was recession in 2001, do you? Do you seriously think there was a recession?

**Mr J.C. KOBELKE:** It is in the budget papers, Premier.

**Mr C.J. Barnett:** Did you think that was a recession? Is that your recollection—that they were recession years?

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**Mr J.C. KOBELKE:** What I am telling the Premier is that the growth of the real gross state product was negative 1.2 per cent in the budget papers.

**Mr C.J. Barnett:** Do you think that was recession, do you?

**Mr J.C. KOBELKE:** There was negative economic growth for that financial year. People were losing their jobs. One of the underlying factors that got Labor elected was that people were doing it tough. We had to deal with that economic situation and get the state back on a growth path, and we did it. I contrast that with the current situation, whereby very dark clouds are certainly on the horizon. They will impact, but the situation is that this government is not explaining to the people of Western Australia how its measures will help protect us from that, and it is really just using it as a smokescreen. Unfortunately, we have a very inexperienced government. It is a government that is very light-on for competence in its Treasurer, and a government that has brought down a budget that is absolutely full of holes. It has a whole range of risks that it is not willing to explain, and the budget papers do not cover what will actually happen. It may be just a deficiency, or an attempt to hide the facts, but I fear that in many cases the government has simply avoided dealing with the harsh facts that have to be dealt with. For instance, it has already indicated that the three per cent efficiency dividend, which is crucial to making the bottom line work for the budget, will not be met, I suspect. It has been applied in a general way across agencies, and the committee report from the upper house indicated that a whole range of agencies will not meet that bottom line, but the government is just working on the assumption that the agencies will meet that mark in the out years. We are yet to see that.

There is no money in the budget for Oakajee port, and there is no money in the budget for the Northbridge Link. If this government was honest and wanted to present an honest set of books, it would put money in the budget because the Premier has said he is committed to these projects. They could have been suspended for a year and then brought forward. I will give a very clear example: when the former government was working on where the next major water supply would come from, a huge debate was raging about whether it should be the South West Yarragadee or a new desalination plant—the plant now built at Kwinana. The government had not made a decision, but it knew it could not get out of building a major new water source. The drying climate, the lack of water available in dams and the overdraw from groundwater meant it was unavoidable. A line item was put in the budget—from memory, it was \$700 million—which simply said “new water source”. Then the decision was made during that year to spend it on a new saltwater desalination plant at Kwinana.

Another one of these holes in the budget is Royal Perth Hospital. The government has now made a decision that it will be a 400-bed tertiary hospital, but it has not dealt with the cost implications of that decision. The whole point of the Reid review and the implementation of the recommendations was to restructure the system so that, through that capital spend and the modernisation and redistribution of our hospital assets, we could reduce the recurrent costs. This government is simply avoiding that issue. It is taking the easy decisions to keep hospitals. The government is taking money out of Osborne Park Hospital in my electorate, which was there to try to shift the services to a lower cost structure, and it is going to put it back into Royal Perth Hospital, which is a tertiary hospital with higher cost structures, but the government does not put in the budget any indication of extra costs. That inability to answer questions and to deal with the real issues is causing me great concern that we will go back to the situation that we had under the Court-Barnett government in which we had five deficits out of eight budgets because decisions were not thought through and the hard decisions were not taken and not properly planned. Year after year, there was overspending in the budget because unavoidable pressure costs were not taken account of in the budget. That is what we are seeing here.

I will turn to the Rudd federal government and what it is doing and how that relates to Western Australia. I believe the approach of the Rudd federal government to stimulating the economy is absolutely crucial. People can have different economic points of view as to how they handle this almost once-in-a-century economic crisis, but those people who say do nothing are not recognising the lessons of the Great Depression in the 1930s, when governments thought the solution was to balance the budget but, of course, the situation got more and more dire with record unemployment in countries around the world. The Rudd government has fashioned and implemented an economic stimulus package, which I am not going to talk about here, other than to say that WA will be a beneficiary of that money from the commonwealth, and that is great.

Unfortunately, WA did not get its fair share of that commonwealth money in the rounds so far. I will stand up for the rights of Western Australians regardless of whether it is a Labor or Liberal government in Canberra. In that national infrastructure spend of \$22 billion, WA received less than seven per cent. I am taking that from a Chamber of Commerce and Industry of Western Australia press release, so I assume it is correct. Therefore, with a population of more than 10 per cent of the national population, less than seven per cent means that Western

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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Australia got two-thirds of what would have been a fair distribution on the basis of population. Why did this happen? What representations did the current government make to ensure that we got a fair share?

I put to the house that the blame does not lie with the Rudd government. It may have been in other circumstances, but the blame lies with the Barnett state government because it let Western Australia down. It failed to fully and effectively prosecute the case to get a fair share for Western Australia. I will take a few short quotes from *Hansard*, from the Premier's statement in question time on 13 May, when he said —

We did not put in the great wish lists that some other states did. Under the Infrastructure Australia project, we put in three priorities, although there are others. I said in numerous private discussions that I had with the Prime Minister that our three priorities are, firstly, the Ord River scheme ... Our second priority is the development of the Oakajee harbour and industrial estate ... We chose to put the Northbridge project on Infrastructure Australia's list. It was our number three priority!

Further on, with respect to that Northbridge project, the Premier said, "We asked for \$132 million" and again he said, "Last night, instead of the \$132 million that we asked for, the commonwealth put up \$236 million. It will still be a 50-50 project." Those quotes are not continuous, but they are a fair reflection of what the Premier said. Clearly, he did not ask for enough.

**Mr C.J. Barnett:** You just criticised us for spending too much on Oakajee, and sinking the rail line and whatever else.

**Mr J.C. KOBELKE:** The Premier's problem is that he is basically not telling the truth. The Premier just thinks he can go off and say anything—he does it all the time—and he does not have to worry about the veracity of what he is saying.

**Mr C.J. Barnett:** Give me an example of when I have not told the truth.

**Mr J.C. KOBELKE:** Exactly what the Premier said then! The Premier misrepresented what I said, and he does it all the time. Either that is because of the Premier's lack of intellect or it says something about his integrity. The Premier can decide which!

**Mr C.J. Barnett:** Give me one example.

**Mr J.C. KOBELKE:** I have just given the Premier one. The Premier simply does not have the veracity to be believed.

I put on the record clear quotes from the Premier that show that he was happy putting forward three projects and that he thought the other states were being greedy. They might have been, but they got more than their share, particularly Victoria. We got two-thirds less than our fair share because the Premier simply did not prosecute the case. He did not put up a big enough list of potential projects. I am not sure what his reason was, but he has clearly failed to get this state a fair share of that commonwealth money. The same view seemed to be shared by other ministers. On the same day, relating potentially to a different bucket of money, the Minister for Health said —

We were extremely pleased because we got everything we asked for.

He was talking about money for health. He saw that as something to crow about. We got less than our share, but what it got was all the government asked for, so it was happy about it. I do not think the people of Western Australia will be happy with the fact that we are not getting our fair share from Canberra. The blame lies fairly and squarely with the Barnett state government, which did not put up a sufficient list and fight for it. As the Premier indicated, he did not even ask for all the money for the third project on the list of projects that he really wanted to get up, the Northbridge Link. The Prime Minister, to the Premier's surprise, gave him even more money than was asked for in the application. The Northbridge Link did not even fit the criteria for Infrastructure Australia grants. The Prime Minister had to fund it out of a different bucket of money. Because the Premier put in so few projects, the Prime Minister could not leave him with the embarrassment of receiving an even smaller percentage of what was our fair share, so we got those funds out of some other bucket. I do not know which bucket it was, but the project did not meet the criteria for Infrastructure Australia funding.

When it comes to standing up for Western Australia, the government has not been able to deliver the goods. As I have already indicated, the government has not been honest on the full budget implications of a range of projects and has not tried to explain the reasons for its decisions. Clearly, a new government has every right to change priorities. A new government will seek to do things differently and, in its view, better than the government before it. When it moves away from projects that are on track, being developed and already reasonably well advanced, it nearly always moves to projects that will have a longer lead time because they are not so well

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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advanced. The government has taken money out of a range of areas and put it into others. As I have indicated, the justification for that is not based on the changing economic circumstances; it is based on this government's priorities.

I refer to some figures from page 2 of budget paper No 3. Revenue growth for the next financial year, 2009-10, is estimated to be 5.2 per cent. After that the figures are very, very slim, but ongoing budget growth is predicted. The government is not predicting a drop in revenue over the out years. The issue comes down to expense growth. Following on from decisions made by the last government but compounded and added to in a major way by the current Barnett government, we expect that expense growth for the current financial year of 2008-09 will be 13 per cent. In the budget we are now dealing with, expense growth for 2009-10 is expected to be 6.6 per cent. That means that in less than two years, this government will see expense growth of 20.5 per cent. In the current budget which the government has taken over and which it has had for most of the year and in the next budget for 2009-10, budget expenditure will increase by over one-fifth. That is the heart of the problem. It is making it more difficult to handle the harsh winds of the global financial problem. It is all of this government's making. On page 9 of budget paper No 3 is the following —

This budget also includes the Liberal-National Government's election commitments, which total \$5.2 billion over five years (including \$3.0 billion of *Royalties for Regions* initiatives), ...

We see that this government has gone on a huge spending spree. It has every right to do that, but if there is to be honesty in this budget, the government needs to acknowledge that it was its decision to radically increase spending, and that is creating a range of problems.

[Member's time extended.]

**Mr J.C. KOBELKE:** That range of problems has led this government to find solutions that many Western Australians will find unacceptable. The supposed saving of \$546 million from electricity tariff charges will result in ordinary householders paying increased costs for electricity simply so that this government can spend money elsewhere. All this government is doing is putting its hand into the pockets of ordinary families to make them pay more for its initiatives. The government has the right to do that. However, its dishonesty is in not explaining that to the people. It does not want the people to know the reality of why they will pay these extra fees. It is because of this government's increased spending and changed priorities. I repeat that it has the right to do that. However, the government is too frightened to explain to people that that is what it is doing.

We also see in the government's figures that debt is growing to the tune of \$19 billion over the forward estimates. But given the holes that are already there, and if no other action is taken, it will top \$20 billion. The last speaker, the member for Willagee, pointed out that this approach to managing a budget is something that the Premier demonstrated when he was Minister for Education. My recollection is that in one year alone as Minister for Education he overspent his budget by \$100 million. I remember that one of the problems we were engaged in fixing when we came to government was that he had settled an EBA with the teachers. When a minister does that—I, as the minister responsible for industrial relations, was involved in that when we were in government—he or she must quantify the cost and bring that cost into the budget. A minister has to watch his or her departments very carefully to ensure that they do not offer a lot of sweeteners about which they do not tell the minister. These sweeteners have to be paid for later and the result is that a hole is left in the budget. That was the approach by the Premier when he was Minister for Education. The EBA he did for teachers promised them laptop computers, but the additional cost was not included in the paperwork. The promise was in the paperwork that was lodged with the Industrial Relations Commission, so it was a registered EBA, but the cost was not included in the budget papers. Tens of millions of dollars had to be found to meet that commitment, but the Premier, as the then Minister for Education, thought it did not have to be dealt with and could be left to others to fix up. It reached the stage that the then Under Treasurer had to write to Premier Court to point out that the now Premier, the then Minister for Education, was ill-disciplined, had no control over his budget and had sought to undermine the credibility of the then government.

Another area in which I am horrified at the consequences of this government having to make cuts because of its decisions to spend money in other areas at a huge rate is the failure to address road safety. I congratulated the Minister for Police after question time on 13 May because, in answering a question from the member for Girrawheen, he said about the budget, which had not at that stage been brought down —

She will see the massive commitment that this government has made to road safety.

He also said —

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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I can assure the member that this government has an absolutely top priority commitment to road safety in this state.

The budget allocation for the Office of Road Safety has actually been reduced by in the order of \$5 million for the current year. I thought I had the figures but I do not. If members take the trouble to look on the police website, they will find that the numbers of fatalities and serious accidents are at record highs. This government simply sat on the money; it did not spend it and could not get its act together, yet we have a minister who says he is committed to road safety. Actions speak much louder than words. It does not matter what the Minister for Road Safety says in this place and how much he wants to blow his own trumpet, if he cannot produce the goods and deliver extra money for road safety but can only reduce it, the words are hollow and do not count for much.

I will allude to the key outcome at the start of budget paper No 3, which states —

The budget seeks to deliver the following four key outcomes:

- protect jobs and support the Western Australian economy in the short term;

If the government wants to protect jobs and support the economy in the short term, it should try to guarantee continuity of work in areas where the government has put expenditure. If the government is shifting its priorities on programs—which the government has every right to do—and it means shutting down a running program and taking some months or years to work up a replacement project, it will leave a hole that in the short term will lead to job losses. It will not do what the government is claiming it will do, which is to support jobs in the short term. I am absolutely astounded, therefore, that the government would cut back on the infill sewerage program in the current financial year and cut it out altogether in the next year. There are clearly issues about whether the government should keep the infill sewerage program going. The government has every right to say that it has changed its mind on that. However, in this case it is in total contradiction of the first stated commitment of the budget of trying to assist people in the short term to stay in employment, because the infill sewerage program is labour intensive. A lot of people are already working on the job. The engineering planning for the program has been done and the contracts will be ready to let. They are shovel ready, which means that people could be out there in continued employment. This government has pulled the money out of the program and has no replacement program ready to go. It will therefore create unemployment because of that decision.

I could go through other examples in which the stated first objective of the government is simply not being met. Now that the Minister for Police has come back into the chamber, I will give the example of the Perth police complex, which also has been deferred. Demolition should have started in September or October last year, but it has not yet started. In the current financial year, \$6 million should have been spent on the Perth police complex. The budget papers show that the government will spend \$400 000, not \$6 million. In the other years, only \$14 million is to be spent next year, right through to spending \$20 million in 2012-13. Instead of starting it last year, as the government could have, and having the whole complex up in two and a bit years, the government will take four years to build it. The government is going slow on a project that has had years of planning put into it and that could be fast-tracked. This government has sat on it. The minister has every right to say that it is a low priority, but the government should not put at the very start of its budget papers that its first key outcome is to protect jobs and support the Western Australian economy in the short term, when project after project has been scrapped or delayed and it does not have other, shovel-ready projects that it can put in place to keep people in employment. It is an absolute sham. It shows the lack of honesty in this budget. It is a whole lot of spin, and the spin does not match the reality, nor does it keep people in employment.

The one little local project that I will commend the government on is the Mirrabooka centre development, which has had \$2.5 million allocated to it; that money is still in the budget and hopefully will be spent in the coming year. The City of Stirling is driving that project and I congratulate it on that. The project will create a huge multiplying effect through private money coming into the development of that centre. I am glad to see that it was one of the projects that did not get cut.

Another project that got delayed is the southern desalination plant at Binningup. That is going to be a major problem for the people of Western Australia. The government has decreased the spending by about \$100 million in 2009-10. I realise that this is a new government that still has its training wheels on and is taking a while to get things moving, but the problem is that we have a looming water shortage. The government has delayed getting that project underway. I realise that a lot of approvals must take place, but a proactive government and its ministers would drive that hard and get the approvals through to get the project up and going. The chances are that it will not come on until a summer later.

**Dr G.G. Jacobs:** It will be commissioned in the same time that you had.

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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**Mr J.C. KOBELKE:** Do I have a guarantee from the minister that it will be commissioned in the same time?

**Dr G.G. Jacobs:** Where did you get this from?

**Mr J.C. KOBELKE:** The information that I was given when I was the minister was that if we did not have it committed to and the contract in place by the start of 2009, the time line could not be met and we would have a major problem by 2013 when we would not have enough water, given the increasing demand and the drying climate. If the Minister for Water has been given a different story and the government is fast-tracking it, the government should explain that to us. All we can see in the budget papers is that it has been delayed. If the budget papers are to be believed, we have a looming problem with the water supply because of the delay in commissioning the new desalination plant.

As I said, a range of changes have been made. I certainly am not happy that the money for the upgrade of Osborne Park Hospital, which is a fine hospital and should take a lot more patients away from the tertiary hospitals, has simply been taken away. That is the case for a lot of people. Money has been removed and put into other projects, which the government has the right to do, but there is no explanation for it. It is likely that we will end up with a higher cost structure and fall back into the same old ways of the Court-Barnett government, which ran five deficits out of eight budgets. It had no control over its budgets. It is because of the lack of government transparency and the lack of honesty in the way that the budget papers have been presented that there is a real fear that the management of the budget by this government is not honest, open and accountable. The repercussions of that for various agencies are that people at the lower levels of government will seek to do shonky deals, like the government seems to be doing. They will make expenditure that has not been approved and they will overrun budgets because if there is not discipline from the top, the government cannot demand discipline from the ordinary people. On that basis, the government will find that it has budget blow-outs all over the place and it will lose control of the budget. The Court-Barnett Liberal government did that, and it took a long time for the Labor Party to patch things up and make sure that the budgets were put back on track, which we did. We get guffaws from the Premier. The one thing this Premier is excellent at is guffawing. He is an expert. He does it all the time, but he does not deal with the facts. Very soon the people of Western Australia will wake up to that and will realise that they want a Premier who is direct and honest with them, not someone who simply guffaws and says things that are not true.

**MS A.R. MITCHELL (Kingsley)** [10.57 pm]: I support the appropriation bills. I am very pleased that the budget has been prepared so that the areas it focuses on will secure a positive future for Western Australia. The areas that I am very pleased about focus on securing and creating jobs, investing in infrastructure projects, law and order issues, health, education and, in particular, maintaining the state's AAA credit rating. As members are well aware, the financial positions of all governments in the past few months have been very different from what they were previously. Therefore, the preparation of this budget has not been easy. In fact, it has been considerably difficult. There are many more variables than ever to deal with. The government is dealing also with a greatly reduced income. I am pleased to be part of the Liberal-National government that has been prepared to make some very tough decisions, yet at the same time plans to retain growth and employment in our state.

I will focus on a few areas that are particularly related to the electorate of Kingsley. The first issue I will talk about is the \$150 million jobs package to help keep people employed and to create new jobs through the infrastructure spend. I am very pleased that over the past four years the electorate of Kingsley has had one of the state's lowest unemployment rates. That has continued every quarter since 2004, and I am keen to make sure that we keep that record. We also have a large number of small business owners, a number of contractors, and a lot of young people who are in education or training, or entering the job market. Therefore, I am in full support of the one-year payroll tax rebate to encourage employers to employ and retain staff, the support of first-year apprentices with the rebate on workers' compensation premiums, the increase in training places for people who may become unemployed, and, of course, the introduction of the new state training policy. Obviously, the major state infrastructure projects are not in the electorate of Kingsley, but there is no doubt that some of the people who live in my electorate will be involved in those projects.

The second issue in my electorate that I am very pleased about is law and order. Many members would have heard me speak about this matter previously. I am particularly pleased that the budget will provide more funding for police and support staff. I do not have a police station in my electorate. I rely on the police being on the ground and moving through my electorate and keeping an eye on things. Those extra police and support staff will enable that to occur. The upgrades to the police radio network will also support that initiative, particularly as our police become more mobile. We need our police to be more mobile. We do not want our police to be stuck in

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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police stations. My constituents and I are looking forward very much to the reopening of Joondalup Police Station, which services part of my electorate.

I turn now to some of the practical areas of the budget. There are many seniors complexes in the electorate of Kingsley. The rebate for Seniors Card holders who install home security devices is greatly appreciated by many seniors. This, along with the improvements in legislation, and the community engagement that we are all trying to bring about, will contribute to a much safer community.

I must also speak about education. I have to say that for the first time in many years there is some excitement in the schools in my electorate. Teachers and parents are feeling confident that new options are available for their buildings and classrooms, and for the maintenance that they have not been able to get done previously. My electorate will benefit from that.

**Mr W.J. Johnston:** Thank goodness for Kevin!

**Ms A.R. MITCHELL:** That is from both state and federal funds. I acknowledge that. It is a great opportunity. The rebuilding of Greenwood Primary School is finally going ahead, and the school should be opened in the second semester of 2010. We are very much looking forward to that. West Greenwood Primary School will now be able to enclose a very cold undercover area. The children cannot appreciate that as yet, but the teachers certainly know that that will be beneficial. I do not want to spend time talking just about the infrastructure work, because there is so much more to education than just buildings. One very important part of the education system is the support systems—the chaplains and psychologists. These are services that I do not think schools should need to have, but unfortunately we now need those services in our schools. These services are also giving the teachers a great deal of encouragement that we do care and we are listening to them. It is those things as well that we need to keep to the fore.

I do not have any hospitals in my electorate, but I am thankful for the proposed improvements to Joondalup Health Campus. That is a marvellous facility, and it will now become an even better facility. However, these sorts of facilities need to be upgraded continually so that we can all benefit. At the same time, the people in Kingsley will also benefit from the new children's hospital coming on stream earlier. I also congratulate the government for the emergency initiatives that it has introduced. I have to say that I was recently at Royal Perth Hospital and I saw at first-hand what some of the staff have to deal with in the emergency department. I admire those staff greatly. The government will also be providing additional support for palliative care and cancer services. Unfortunately, those facilities and services are being required more and more in our community. There is no electorate that is not being touched by that as we speak.

I turn now to transport. I commend the government for the additional car parking bays that will be provided at Greenwood and Whitfords train stations. That is not the only solution, but it is a solution that will facilitate the greater use of public transport. We need to develop these things as well. A lot needs to be done in public transport and roads. This is an injection of funding that will continue to improve the current system. A lot of these things are injections. They are not the end. They are processes to improve things as we go along.

I want to comment now on an area that is a little bit different from what other members have raised. That is people with disabilities. This is a topic that is not talked about much. One of the things that I learnt in my first few months in this place is that a large number of people in my electorate, and I am sure in other members' electorates as well, are caring for their children and loved ones—I am referring particularly to children—who have a disability. Some of those people are really quite amazing. I admire those people greatly because many of them put their lives totally on hold—they do that willingly and lovingly. Their greatest concern is who is going to look after their children when they are no longer alive, where are they going to live and what is going to happen to them. The small investment this year in the budget will give them a great deal of comfort. It is for respite care—the opportunity to give them a break. We need these people to look after their children. We do not have the facilities to cater for everyone at the moment. We need these people to do that. Respite care is absolutely critical.

The other community need is for accommodation support. We need to look at options for independent living. That is another need that I certainly appreciate seeing in the budget. I know a number of people in my electorate are very appreciative of that.

There are many other areas of need but they are the ones I most wanted to highlight. As a new member going through this budget process, I am very pleased with this budget in our first year in government. I am very pleased because, once again, this budget was developed under the most extreme conditions that could cause significant problems in our state. We can talk about it, but we are at a critical point with this budget. I am very

**Extract from *Hansard***

[ASSEMBLY - Tuesday, 19 May 2009]

p4168b-4228a

Mr Troy Buswell; Mr Mark McGowan; Speaker; Mr Eric Ripper; Mr Colin Barnett; Deputy Speaker; Mr Peter Watson; Mr Ben Wyatt; Mr Bill Marmion; Acting Speaker; Mr David Templeman; Ms Margaret Quirk; Mr Vincent Catania; Mr Paul Papalia; Mr Bill Johnston; Mr John Hyde; Mr Martin Whitely; Mr Alan Carpenter; Mr John Kobelke; Ms Andrea Mitchell

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confident in the principles that have guided this budget. They are the principles that protect jobs and support our economy, the principle that secures the state's economic future, the principle that provides better services for families and communities, and the principle that protects the state's finances. I am very confident that the future of Western Australia is in good hands with this Liberal-National government and its budget in its first term.

Debate adjourned, on motion by **Mr R.F. Johnson (Leader of the House)**.

*House adjourned at 11.07 pm*

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