

McGOWAN GOVERNMENT — FEDERAL ELECTION

Motion

DR M.D. NAHAN (Riverton — Leader of the Opposition) [4.04 pm]: I move —

That this house notes the critical role Mark McGowan had in the election of the Morrison government, in particular, his failure to deliver jobs, his mean-spirited increases to the cost of living, the small business crisis, and falling house prices.

We thank him for it. The election on 18 May was great. As Scott Morrison said, how good are Australians? For some it was a big surprise, but for us who were at the coalface in some of those marginal seats, Swan in particular, it did not surprise us. We are not going to gloat, but there are a lot of lessons to be learnt.

Several members interjected.

Dr M.D. NAHAN: I know members opposite were very successful getting their mates to publicise it, but I was where I should have been—in Swan working on pre-polling. Do members know what? The Labor Party’s high profile candidate went down again. Will a soufflé rise four times? I do not think so. In fact, the story on polling day was that Labor was so sure of itself in Swan, it pulled its army of red shirts away from Swan to conquer the Stirling gates. Do members know what happened? The Labor Party lost Swan and had a swing against it in Stirling. Great; thank you! The red shirts were all paid anyway; they were not volunteers. It is a commercial relationship; it is a commercial thing. But I deviate from the topic of the Premier’s role in electing the Morrison government. Thank you; it was a great contribution.

Do members remember the bus? Did members see the bus? The Premier was on the bus. It had a big picture of Mark McGowan, Bill Shorten and Tanya Plibersek. I think I saw that bus the other day; it was going to Kwinana. It was behind some trees and it looked like it was graffitied a bit. There were great big Xs where Bill and Tanya were, and do members know what? We could not even recognise Mark; someone put a beard on him, because it was a mistake. He and the Labor Party thought that Mark McGowan was a kind of miracle worker, that he could go out there and people would say, “Oh, Mark! He is like Bob Hawke! The candidates could go with him and the people will swarm wherever he goes.” Please! But let us look. He was everywhere. He was the front man, the pin-up boy in WA for Labor. Why? Bill Shorten is hated. Bill was a negative. Our polling showed he polled at negative 25 per cent. He is not very good. No-one knew who Tanya was. I think she was slightly popular. Who knew Labor Party federal members? I went around and asked people to name one federal Labor sitting member of Parliament. Nobody knew.

Ms C.M. Rowe: Who did you ask? Which areas were you in?

Dr M.D. NAHAN: I was in Swan. Does the member know Swan? It is a really good seat. I asked them, “Do you know your sitting member?” They would reply, “Steve Irons? He is everywhere! He has helped me here, and he has helped me there. There are pictures here.” Everyone knew him. People even asked who the candidates were for Labor. No-one knew, so Mark had to stand up.

Point of Order

Mr P. PAPALIA: Standing order 93 states —

A member will refer to other members by their title of office or by the name of their electorate.

The Leader of the Opposition has now referred to the Premier five times by other terms. I would ask that he draw his attention to the obligations under the standing orders.

Mr A. Krsticevic interjected.

The ACTING SPEAKER (Ms J.M. Freeman): Member for Carine, you know that you will hear a point of order in silence, because you expect to have your points of order heard in silence. You are on two calls, so do not push me.

That is a valid point of order.

Debate Resumed

Dr M.D. NAHAN: Yes. I had been looking at some of the Labor Party material, and I will refer to him as the member for Rockingham.

Dr A.D. Buti: Why do you not refer to him as Premier?

Dr M.D. NAHAN: The minister said, “his electorate” —

The ACTING SPEAKER: Or his office.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Dr M.D. NAHAN: —or his office, and I am.

He was the picture boy for the Labor Party. It put him up and thought he was going to draw votes like a magnet. He was everywhere announcing this commitment and that commitment, and the problem he had was that he is not that popular. We had a trial run for this election in Darling Range. The Premier was the front person for that too. Who was Labor's candidate for Darling Range?

Mr V.A. Catania: For the first, second or third time?

Dr M.D. NAHAN: There were three of them—name one. Barry Urban is gone. I am not sure what happened to him. Who was the second or third candidate? No-one knew, so again the member for Rockingham stepped up to the breach. “Look at me”, he said, “I am the popular one! I am the son of Bob! Come to me!” He started out 15 per cent popular, and by election day he polled at negative three per cent. Thank you. That is because they got to know him. They met him personally. They saw his picture on the bus, and they saw him on TV. He is not one who goes to the pub. Imagine what would happen if people saw the member for Rockingham at a pub! Would they go up and talk to him?

Mr P. Papalia: Do you go to the pub?

Dr M.D. NAHAN: I do.

Dr A.D. Buti: Which one? I'm going to have a drink with you!

Dr M.D. NAHAN: I will bring the member for Armadale to the pub. I will bring him to the Wilson sports club. Come down. Meet me at the pub.

Mr P. Papalia interjected.

Dr M.D. NAHAN: Not the Minister for Tourism—I would have to pay too much.

The Premier wandered around Darling Range, and he got all these people to predict he would win. What happened? There was a 9.3 per cent swing. Why? That was just over a year after the Liberal Party had lost government by the largest margin in our history. This was a new government. Let us face it—the media gave it a honeymoon. It had the longest honeymoon of any government in history. It was as though it had never left its honeymoon bed. On all the evidence, we had no chance. Barry Urban, the Walter Mitty of the Parliament, had departed in an unsavoury way. I hope he gets well. I think Barry had some mental issues.

Several members interjected.

Dr M.D. NAHAN: Do not blame us. Members opposite put him there. They exposed him to that pressure. They took a person who clearly had problems and put him in this place. They exposed him to it. What they did was unconscionable. They took a man who had mental problems and exposed him to public —

Point of Order

Dr A.D. BUTI: I just want to ask the Leader of the Opposition to be careful, because the matter is before the courts, so it might be best to move on from that position.

The ACTING SPEAKER (Ms J.M. Freeman): Leader of the Opposition, can I bring you back to the facts of the motion.

Debate Resumed

Dr M.D. NAHAN: We had no reason to win Darling Range. That was on the record at the time. However, there are three reasons why we did win that seat. The first is Mark McGowan.

Mr P. Papalia: Who?

Dr M.D. NAHAN: The member for Rockingham. It is not so much that his picture was on the bus. It is not his picture. It is not what he said. It is what he did in his first year in government. He inherited an economy that he called a depression state. He said that the economy was in the worst state since the Great Depression. That is an exaggeration, and he probably should not have said that, but nonetheless he did. The economy had gone through hell, through the toughest time in living memory, probably since the recession we had to have in the 1990s. He knew it. He stated it. He talked about it when in opposition. There were signs of recovery in March 2017. It is in the budget.

Mr P. Papalia interjected.

Dr M.D. NAHAN: There were signs of recovery. However, what did the Labor Party do when it won government? It said that we have to share the pain, and it hit households with high fees and charges. In two years, electricity prices have gone up by 20 per cent. People cannot avoid that by freezing at night. It is a fixed charge. Water and

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

public transport were hit with massive fees. This was at a time when households were on their knees. Households had gone through four years of hell struggling to pay their mortgage. He was elected, knowing that.

Mr P. Papalia: Who was?

Dr M.D. NAHAN: He was elected, promising to do good by the people, not hit people with high charges. He promised that there would no new taxes, and he put on a whole raft of taxes. He promised to sustain and, indeed, increase expenditure on hospitals and education. He did the opposite. He went out and shared the pain by hitting households hard. What happened? The people of Darling Range felt that significantly. He committed a betrayal of the people who had put him in government just one year earlier. What happened to households? They sank into problems with mortgage stress, bankruptcy, and inability to spend, with no discretionary money, and hospitality and retail are now struggling. We had a by-election just one year after this government had been elected, and the people who were struggling overwhelmingly recognised that. The Treasurer denies it and the Premier denies it. But we cannot fool the people. They might say that they cannot see anything but positive sunlight out there, but the reality is that it is tough. It is tough, and members opposite have made it tougher. That is why they lost the Darling Range by-election.

The same thing rolled out in the federal election. I might add that there is a very important transition, not just in Western Australia but around the nation. The people who used to be the battlers, who used to be the stalwarts of the Labor Party and used to be solid Labor voters, are deserting the Labor Party in droves. The Labor Party vote in the federal election was 29.84 per cent; the second lowest in living memory. The Labor Party had swings to it in some of its safe seats, particularly Fremantle, and swings to it in some of our safe seats, but it had massive swings against it in what has, in the past, been perceived to be Struggle Street. Aspirational Western Australians have left the Labor Party in droves for two reasons. The first is that they looked at Bill Shorten. Bill Shorten was anti-aspirational. We asked the various Labor ministers and members about their stance on the various policies that Bill Shorten had put up on capital gains tax, the retiree tax, and negative gearing, and they said they supported him to the hilt. Of course, they are in the Labor Party, so they have no choice. They said publicly, and in Parliament, that they supported him to the hilt. I assume they were telling the truth, or maybe they were just totally lying.

The Labor Party scared the hell out of Western Australians on energy policy, because we all know that Western Australia is an energy-intensive state. The Labor Party said it was going to cut carbon emissions by 45 per cent and have a 50 per cent renewable policy. That sounded very similar to what caused the lights to be turned off in South Australia. People heard that and said, “Are these guys mad?”, and they voted Liberal. Members opposite supported every one of those issues in this Parliament and in the community—everywhere. Mark McGowan, the member for Rockingham, led the charge on all those issues. He now says, “That was Bill Shorten; I had nothing to do with it.” Do members know what? When we stand in public and say, “Please support these policies”, they become ours.

That is not the worst of it. The second reason that the Labor Party had a swing against it of 29.84 per cent is the policies that this government has put in place. This government is way into its second year. In July, it will be 18 months before the campaign starts seriously for the 2021 election. If we had to characterise the response of Labor Party ministers to any issues, whether it be health, energy, hospitality, what would be their first reaction? They would say, “Yes, but it was the previous government.” It is all about the previous government. A lesson I learnt a long time ago, which these guys have not learnt yet, is that we cannot get ahead by looking in the rear-view mirror. Labor was elected. When we go to the 2021 election, it will be its record. Labor might try to make it our record, but people will say that is why they voted the Liberal Party out. They voted in Labor to do something better, but it has done worse. The worst thing it did was to play the political cycle, rather than the economic cycle. Labor knew that the economy was struggling, but it decided to hit the people early and hard. That was the politics. Labor did not care how bad it was. It did not care if it meant backflips. It did not care if it hit its own people. It hit it hard and blamed the former government, and then hoped that it would get it fixed so that right before the next election it could be Santa Claus.

The trouble was that Labor hit the economy hard at the worst possible time and sent it into a domestic recession. The domestic economy has had five quarters now of negative growth. The mining boom is done. The investment boom has slowed down or stopped. That is over with. We have the highest pool of unemployed people in this state’s history. Our unemployment rate is the second highest or highest in the nation. We will see what happens tomorrow. The Premier stands up all the time and says, “We created all these jobs.” It has not created any jobs. Name one job that the McGowan government has created. It laid off people in the public sector. It hires only in the public sector. It has laid off people and awarded 3 000 redundancies. It has not created any jobs. Yes, the mining sector is coming up and generating more employment, but the other sectors are shedding jobs now and the data shows it. Jobs have been created in the Western Australian economy, but they are not keeping up with the growth and the number of people looking for jobs.

Extract from Hansard

[ASSEMBLY — Wednesday, 12 June 2019]

p4094b-4119a

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

More importantly, in the aftermath of that boom, house prices have gone down, wages have gone down, opportunities have declined, mortgage stress is serious—the highest in the nation—and there are a large number of bankruptcies. Look at the hospitality sector and the international tourism sector. Look at construction. Over the last two years, 350 building businesses went bust. I tell members that there are more to come. I wish not, but they will. When people voted in Darling Range, they said, “This is not the government I elected.” Its members might drive around in a bus and talk about jobs, but what counts is what it does and what it is delivering. We have seen it just this year. It is not what Labor promised. It is not what people need. In fact, it is harming us. Then we went to the federal election. Yes, it campaigned on a whole bunch of Bill Shorten’s near-death policies. We worked with our federal colleagues, whether it was Steve Irons, Ken Wyatt, Andrew Hastie or Christian Porter. Christian Porter’s main campaign was about the cost of living and infrastructure, and the state government’s negative impact on both. The cost of living was his major campaign and his major target was Labor.

The Morrison government was cutting taxes, therefore giving more to people, and investing in schools and hospitals at record levels. The Morrison government was trying to stimulate the economy, but for every dollar it stimulated, the state government took it out. The people know it. I do not know how it does not respond to it. Yesterday, I got a desperate call from a constituent, and Christian gets these all the time. This constituent had received an electricity bill. We have had some cold weather recently. My constituent is an older woman who lives in a small duplex. She said that her electricity bill has gone up by almost 30 per cent, but she had read in the paper that the Treasurer and the Premier have made the lowest increases in living memory. I said, “Well, don’t believe them.” This is writ large.

Labor’s secret weapon, Mark McGowan, was Labor’s secret loss. Labor put Mark McGowan on the bus and on all the posters. It put him in the pictures and people knew that he was their nemesis. He hurt them when he promised to do otherwise. When the pain got great, he doubled down. What was worse, the Morrison government not only backed him up with expenditure, substantial increases in spending on health and education and infrastructure, it topped up the GST. That gave this government \$8.8 billion all told from commonwealth sources; that is additional money in this term of government. But what did Labor do in this last budget? It doubled down. When did that budget come out? It was a couple of weeks before the election. Did it include any relief? Labor said everyone has to share the pain, and it shared it. It hit many households, but it got the gain from the Liberal–National commonwealth government and did not share it. Do member knows what? Labor can do the spin. The government has an army of spinners, and its friends in the media talked it up, but it hit the public, and Labor knew what it had done. People voted in droves against the Premier’s lead. On this side, all we can say is keep it up. Keep it going. But we cannot say that too loudly because Labor is hitting our constituents and we want to take its constituents.

We want Labor to do better. We want it to recognise the mistakes that it has made and rectify them. We have the money. In the forward estimates, the government has budget surpluses of over \$9 billion. That is an untold amount—\$9 billion. It is not paying down debt. What will we do to help the people the Labor government has hurt? That is our campaign for the next 18 months. It is not hard. Labor will do its spending, but we will remind Labor of a couple things that it did. It has had over \$4.3 billion worth of additional infrastructure spending from the commonwealth. That is a lot. The commonwealth government gave, in some cases, 50 or 80 per cent funding for infrastructure projects. The commonwealth government, basically, bailed out Labor’s unfunded Metronet commitments from the last election. The problem is that it is not getting on with them. It is not allocating the money in a timely way. Over Labor’s first two years of government, the capital infrastructure spend from the state government declined. In other words, it pulled money out of the construction sector. Labor has to get on its bike. It made a commitment to the Morrison government to get on and expedite the expenditure on infrastructure, and it has to do it. The Labor state government is now a contractor, especially when the commonwealth is giving it 80 per cent. It is a contractor—that is it. The commonwealth can dictate what the state government does. It gives the government the money and it has to go out and do it.

One thing that was clear during the federal election campaign was that the McGowan government had failed to meet its part of the bargain. On project after project, the McGowan government had taken money from the commonwealth, booked it as revenue and not committed matching money or spent it. That was particularly the case in Canning, but it was also the case in Pearce. The state government has taken money and not spent it. I am confident that the Morrison government will hold the McGowan government to account, as it should, going forward. The commonwealth gave the state government the money, which then held back its commitment to it. The McGowan government played politics on this issue during the federal election campaign and was outed for not meeting its commitments. The Morrison government will hold the McGowan government to account for its failure to deliver. When the state government is late, does a backflip or makes a mistake, we will hold it to account.

That was one hell of a federal election a couple of weeks ago. It is not time for us to gloat, but it does identify a pathway to victory for us in 2021. Darling Range was the prototype. I thought Labor would learn lessons from Darling Range, but it ignored them. I guess Labor thought it was just a fluke. In fact, Labor has doubled down in

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

its second and third budgets on hitting households. When the federal election came around, Labor followed the same mould and for the same reasons. The Premier played a dominant role in both those election campaigns. He helped the Morrison government win a significant victory.

We will go forward over the next 18 months and continue to point out the harm the Labor government has done to the electorate. The Minister for Tourism might think this is funny, but there is one issue I am flabbergasted about. I know that the Labor Party does not tolerate dissent—it is all for one, one for all—but I am absolutely stunned by the inaction of some members, such as the members for Baldivis, Kwinana and Warnbro. Households are struggling in their electorates, yet those members sit here and say nothing. I think one of the better government members is the member for Armadale. I know he is worried about his electorate. As a person who has watched the economy, I can say that some of the situations in some of those suburbs are the worst I have ever seen. House prices have dropped 30 per cent over 10 years in Armadale. The median house price in some areas of Armadale is \$225 000. The level of negative equity among first home buyers in Gosnells is 98 per cent. Do members think that is a joke? I saw the member for Warnbro laughing.

I go back to the theme of my contribution. I want to thank the Premier for his contribution to the win by the Morrison government. I hope he learns some lessons and rectifies that, and that he shares the gain that the Morrison government has given his government. I doubt that he will. We look forward to taking on Labor over the next 18 months. If the government does not understand the pain it has inflicted on our households, it is doomed.

MS L. METTAM (Vasse) [4.33 pm]: I would also like to make a contribution to this debate, in particular as the shadow Minister for Small Business. Many Western Australians would agree and acknowledge that small businesses are doing it particularly tough in Western Australia at the moment. The small business sector is a significant part of the WA economy. Ninety-seven per cent of all businesses in WA are small businesses. This sector employs about 47 per cent of the workforce, so it is an important part of the WA economy. It is quite clear that small businesses have experienced many challenges over the period of the McGowan government. In fact, a record number of WA small businesses are struggling. Thirty thousand small businesses have shut their doors. There has been an 18 per cent reduction in the number of people operating small businesses since the McGowan government came to office, which is a pretty stark and gloomy figure. WA's unemployment rate of 6.1 per cent, which is the second highest rate in the country, continues to be a drag on our state economy. It is worth pointing out that one day after the state government spruiked its Our Priorities plan to create 150 000 jobs over six years, WA's seasonally adjusted unemployment rate jumped to 6.8 per cent, which was the highest level since 2002. That was a great contrast of statements earlier this year.

The hospitality sector has been doing it particularly tough. We saw this recently in the Beaufort Street precinct, which is an area that I recently doorknocked. Two popular bars—Five Bar and Clarences—have shut their doors. Baker and Shuhandler, a furniture and accessories shop, also decided not to renew its lease. The longstanding Beaufort eateries Cantina 663 and Red Cray experienced a decline in patronage and made the decision to no longer continue. Obviously, when a small business closes, it not only is a reflection of a lack of confidence in the WA economy, but also spells a loss of jobs for Western Australians. Some great work is being done. It was of value to me and the member for Perth to catch up with Josh O'Keefe of the Beaufort Street Network at the recent Beaufort Street rally. This community organisation is looking at ways to enliven the Beaufort Street precinct.

I acknowledge some of the comments made by the Liberal opposition, and in particular those of the member for Carine, the shadow Minister for Local Government, who pointed out the role that councils and the state government need to play in developing measures to ease the burden on traders, particularly in the Fremantle, Perth, Vincent and Subiaco areas, which are significantly challenged by a great number of shop closures. Local governments can do lots of different things. Parking seems to be a significant issue. Councils have the option of providing free parking or at least three hours of free parking, concessions on rates, and strong promotion of community events.

Obviously, the state government has a great role to play as well. There is no doubt that the government's impact on household fees and charges in particular has seen a significant decline in and stress on the retail trade and small business sector across the state. In the retail sector, Transit Clothing announced that it would immediately close the doors of three of its nine WA stores, including one in my electorate. It was the latest in a long run of WA businesses that have called in administrators, including Rosendorff Diamond Jewellers, which had operated in the state since 1975. The loss of WA businesses basically backs up what the retail trade figures are illustrating. Since the McGowan government was elected, there has been a downward spiral of negative growth in the retail trade figures, with WA's figure falling almost one per cent in December last year alone, which was the largest fall of any state. That is a downward spiral of negative growth in the WA retail trade—the largest fall of any other state—and that is of great concern. When we look at why, one of the reasons we can point to is the significant reduction in discretionary spend. In fact, a graph on the Treasury WA website, which indicates contributions to growth in retail trade, shows that the more recent falls in spend in this state were from some heights that occurred between 2011 and 2014. These drops have been comparable only to those results after the global financial crisis.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

As I said, that, coupled with our figures on retail trade, represents a significant emergency for this state—a crisis call that the opposition encourages the state government to answer.

We should not be surprised, given the March quarter in 2019, that the *Sensis Business Index* has revealed that WA business confidence has more than halved. It was the largest fall recorded across the country, dropping 32 points to 20, the equal lowest balance to that recorded in the Northern Territory. The falling balance also reflects the lowest confidence in almost three years. We know that small-to-medium-sized businesses across the country registered lower confidence than their metropolitan counterparts. Again, we are seeing the largest falls in this area in Western Australia. I refer to a media statement from Sensis, and I quote —

Speaking to the result, Sensis Chief Executive Officer John Allan said, “It’s disappointing to see this dramatic dip in confidence levels among small and medium businesses in the West, particularly following optimistic results in the December 2018 quarter report.”

“The crash in confidence points to lower than expected summer sales across the state. However, expectations for the current quarter are all improved and again quite optimistic and we hope to see this reflected in the next report”.

He says further on —

“It’s troubling to see such widespread discontent among businesses in the nation’s West, resulting in 31% suffering a severe lack of confidence,” said Mr Allan.

That seems to be a bit of a theme among small businesses and the environment they are operating in. It points to the fact that small businesses in this state require more support. How small businesses are travelling is an indicator of what else is happening in the economy; in fact, it is one of the most reliable indicators of how an economy is tracking. We know that when small businesses are hurting, our economy is hurting. Given, as I said earlier, the small business sector represents 97 per cent of WA businesses and employs over 40 per cent of our workforce, any decline has an impact across the whole economy. The government needs to take some responsibility for this.

There is no doubt that the McGowan government policies are having a significant impact on the small business sector. The removal of the first home owner grant, the introduction of the foreign investor surcharge, slashing the regional migration scheme numbers and cutting the state migration skills list from 178 positions down to 18 have all been factors, as has the increase to the payroll tax threshold. The changes to the regional migration scheme and the state migration skills list has had a significant impact on the hospitality sector, which still faces challenges employing chefs and attracting and retaining a skilled workforce. I note the Minister for Tourism’s comments most recently about recognising that there was some urgency in the need to address this policy—the decision to remove Perth from the regional sponsored migration scheme and the changes to the state migration skills list and the impact that is having on the ability of small businesses to attract chefs and the staff they need.

Mr D.J. Kelly interjected.

The ACTING SPEAKER: Minister, shoosh!

Ms L. METTAM: I certainly encourage the minister to keep going.

Mr Z.R.F. Kirkup: You’re like the state version of Bill Shorten, aren’t you?

Ms L. METTAM: Yes.

As I stated, our small businesses are hurting; they need assistance. Our situation is not assisted by the fact that WA has the highest payroll taxes and highest taxes on productivity in the nation. The former Liberal–National government acknowledged this and increased the payroll tax threshold from \$750 000 to \$800 000 in 2014–15 and to \$850 000 in 2016–17. The implementation of this policy saw more than 16 000 employers save \$121 million. We also provided payroll tax relief in 2012–13, returning more than \$100 million to more than 6 500 small businesses through state rebates. Small businesses with payrolls of up to \$1.5 million for the 2012–13 financial year received a one-off rebate of up to \$41 250 to fully offset their 2012–13 payroll tax liabilities, and small businesses with a payroll between \$1.5 million and \$3 million received a partial rebate. The former Liberal–National government acknowledged the need to encourage small business employment and put in place measures to address this. Given what is occurring across the WA small business sector—as I said 30 000 small businesses have shut their doors since the McGowan government has been in office—we are seeing a crisis in confidence across the sector. Fifty-nine per cent of small businesses do not feel confident about the WA economy. It is important that the government take these challenges on board and listen to a sector that is hurting. The McGowan government’s removal of payroll taxes on training, coupled with an 11 per cent drop in apprentices across 12 months, are both contributing to WA’s high unemployment rate and are failing to assist a sector that is hurting.

The Tourism Council of WA recently launched a campaign about the need to support local and private investment in this sector. I point to the challenges faced by Urbnsurf, a small group of Western Australian entrepreneurs,

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

whose proposal was promoted as part of the Tourism Council. It was named in the new attractions for Perth campaign, a developed plan, worth \$30 million that had been developed over five years as a wave park for Perth. As I stated, it had progressed. Urbnsurf spent five years going through a range of hurdles, including with the Environmental Protection Authority, and it had local government support.

What a disappointing message to send this group of small business operators and entrepreneurs who, at the very last hurdle, were not supported by the McGowan government. The wave park has quickly become synonymous with the reason why it is difficult to invest in Perth.

I acknowledge that the Minister for Tourism has launched a tourism framework to assist small businesses, in particular those with an interest in tourism, but even after the estimates process, we are still none the wiser about how effective this will be given that there is no funding, the minister will not take specific responsibility for such projects, and no reasonable time frame has been identified for such projects. The government should be focused on creating a thriving, economic environment that will promote investment and reward entrepreneurship, not hinder it with excessive regulations and compliance costs.

[Member's time extended.]

Ms L. METTAM: Supporting small business and investment in this way is about supporting a more vibrant Western Australia.

The state budget provided no relief for small businesses, which as I stated have been challenged with a failing economy and a record number of Western Australians now looking for work. The budget pushes the additional costs imposed by the McGowan government on Western Australian families to about \$856. Yesterday, the member for Cottesloe outlined how this government had gone beyond full cost recovery in areas specific to the water portfolio, effectively price gouging and massively impacting on the homes of Western Australians, which also impacts small businesses in this state and the discretionary spend that I outlined earlier. The Treasurer has brought down a budget with household increases almost doubling the rate of inflation. Although the Treasurer headlined an operating surplus, debt will still grow from \$31.9 billion to \$39.5 billion. Promised infrastructure has remained unfunded and employment forecasts have been significantly downgraded, which is of concern for us all. There is also no payroll tax relief despite calls from small business and the Chamber of Commerce and Industry of Western Australia. I quote Rick Newnham —

Several members interjected.

Ms L. METTAM: It is Newnham. Let us move on. The article states —

The CCI says if the threshold is increased it will reduce State Budget revenue by \$47 million but result in total economic benefit to the State of roughly \$283 million, with 280 direct jobs and 600 indirect jobs created in 12 months.

“When we want people to smoke and gamble less we increase taxes on smoking and gambling, so if we want small business to create more jobs we should reduce the tax on WA jobs,” ...

That effectively sums up the argument.

I point now to the federal Labor campaign, during which the McGowan government was front and centre. Thankfully, the federal Liberal Party was elected. We saw our Premier as the face of Bill Shorten's very much failed federal election campaign. Labor certainly did not win the five additional seats in WA that it had hoped for, which is particularly a result of the policies that were well understood by people but which concerned them. It was predicted that 32 000 jobs would be lost and the additional taxes promised under a federal Labor government would have significantly impacted on small businesses in particular. I point to an article in *The Australian* on 16 April that states —

ACCI chief ... James Pearson said one of the key concerns raised with the business lobby was the crackdown on trusts, while COSBOA —

That is the Council of Small Business Organisations Australia —

chief executive Peter Strong warned changes to penalty rates and the scrapping of refundable franking credits sent the wrong message to small businesses.

Head of external affairs at CPA Australia Paul Drum said there were about 350,000 small business trusts, producing a median gross income of \$61,634.

Labor planned to support the Australian Council of Trade Unions' proposal for a five per cent wage increase. We heard from the WA CCI chief executive Chris Rodwell who said —

“It is no longer just the business community providing the feedback,” he said.

“The overwhelming majority of WA households agree that Labor’s living wage policy would impact employment in WA.”

Issues also surrounded federal Labor’s negative gearing policy and its proposal to scrap negative gearing for existing properties and halve the capital gains tax discount from 50 per cent to 25 per cent. This resulted in a report from SQM Research—investment advisers specialising in property investment—stating that property prices would fall nationally by between five per cent and 12 per cent by 2022. Of course, the issue with this is not only that these policies would mean for Western Australia, but also the concern that the McGowan government stood shoulder to shoulder in support of a federal Labor campaign that would hurt Western Australians in particular.

Those are just a few points that I wanted to make in support of the motion presented today. In summary, small businesses are doing it tough. Under the McGowan government, hits to household fees and charges of over \$850 has seen the largest fall in discretionary spending in WA since the global financial crisis. The small business sector is experiencing a crisis of confidence with a record number of small businesses shutting their doors. It is a matter of urgency that has been felt across the Western Australian community. The onus is on this government to heed those calls and to look at the great fall in discretionary spending. This has caused more businesses to shut their doors, meaning they are no longer able to employ people, contributing to the second highest unemployment rate across the country. This government needs to commit to supporting small businesses by creating a genuine jobs policy that supports small businesses and encourages entrepreneurship. It should stop being anti-business. A group of entrepreneurs should not be battling through an approval process for five years, only to have a government minister at the last hurdle reject such a proposal that would have had significant tourism benefits. As I have stated, we have seen some of the highest unemployment rates in the country. Our small businesses are struggling. Our unemployment rate is at an unacceptable level but we do have measures to counter this. This is about the impact on household budgets in this state by one of the highest taxes on productivity. In summary, small businesses are hurting. I encourage the McGowan government to heed the calls from industry and to support small business further.

MR P. PAPALIA (Warnbro — Minister for Tourism) [5.00 pm]: I must say that I am a little disappointed that the Leader of the Opposition, having made such a vigorous and robust criticism of the Premier, then exited the chamber.

The ACTING SPEAKER (Ms J.M. Freeman): Are you the main speaker?

Mr P. PAPALIA: I am indeed the lead speaker. I am a little disappointed that the Leader of the Opposition having, as I said, made such a significant attack on the Premier, in such terms as have been referenced in the motion that the Premier has been condemned and he has apparently helped elect the Morrison government, and that is a terrible thing according to the opposition, has then left the chamber. But I note that he is not alone. For the first time, probably all day, he has company. It looks as though the member for Scarborough has departed. The member for Bateman has just returned, but he was gone as well. Perhaps, most significantly, the member for South Perth is absent from the chamber. Those of us who have been around for a little while —

Quorum

Mr A. KRSTICEVIC: The member is making a great speech. It is a pity there are not a few more people here to listen to it, including the Premier and Deputy Premier, or anybody else. I bring the Acting Speaker’s attention to the state of the house.

[Quorum formed.]

Debate Resumed

Mr P. PAPALIA: As I was saying, I note the absence and I am most concerned for the Leader of the Opposition. I am not concerned that the deputy leader, the member for Hillarys or the member for Bateman were not here. That is not the most concerning issue for the Leader of the Opposition. The most concerning issue, as all members who have been here a little while will know, is the absence of the member for South Perth. Members have to wonder whether the member for South Perth is somewhere warming up the six-burner barbecue. I urge all new members to ask what happens when the member for South Perth gets his barbecue going on the weekends! When he gets his barbecue going, members know the leader of the day is up for the chop. Lamb chops are not going on the barbecue when the member for South Perth flashes up the six burner; it is the leader of the day. The absence of the member for South Perth at the moment is here for all to see. This is really concerning.

I understand why the Leader of the Opposition made his speech and scurried out of the chamber. He threw only a few barbs across the chamber. I think that is what they were; I am not really sure. I was not compelled to duck or anything. They were not that frightening. He made a few observations and then he scurried out. He noted that his deputy was not here. He noted that the member for Hillarys was not here at that time. He noted that the member for Bateman was not here. But, most concerning, as he gave his repetitive spray, as he gave his usual lecture about

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

economics, having forgotten his actual performance in the role of Treasurer—he repeated the lecture that he used to give before he became the worst Treasurer in the history of Western Australia, the person who imposed the biggest debt in history and the biggest deficit in history. Before he became that individual instead of the Institute of Public Affairs pontificator of the west, he gave that lecture and as he was turning around he saw that the member for South Perth was absent. His seat was empty. He has been here long enough and he knows what that means. He then looked behind him and, lo and behold, the member for Dawesville was not there. I am not saying that the member for Dawesville is beyond his station when it comes to dabbling in internal politics; I would not suggest that. But the absence from the chamber of both—oh! He has returned. The absence from the chamber of both the member for South Perth and the member for Dawesville —

The DEPUTY SPEAKER: Excuse me, Minister! I think we have a point of order.

Point of Order

Mrs A.K. HAYDEN: We do have a point of order.

Several members interjected.

Mrs A.K. HAYDEN: A point of order will be heard in silence if you all read the standing orders.

The DEPUTY SPEAKER: Member! Excuse me, members. It really is up to the person in the Chair to be talking about standing orders. Members do not have to repeat them to the Chair. This will be heard in silence. Thank you, member for Darling Range.

Mrs A.K. HAYDEN: I have a point of order about relevance under standing order 78.

Ms A. Sanderson interjected.

The DEPUTY SPEAKER: Member!

Mrs A.K. HAYDEN: I would like the minister to refer to the motion and be relevant to the motion, because I honestly believe that what he is speaking about has absolutely nothing to do with the motion.

The DEPUTY SPEAKER: That is enough! Thank you, member. Go ahead, minister.

Debate Resumed

Mr P. PAPALIA: I note that the person who moved the motion was Hon Dr Mike Nahan, who is not here. That is what I was talking about—the absence of the person who moved the motion and the incredible decision on his behalf, but justifiable and understandable when members realise the absence of the member for South Perth from the chamber at the same time. Members know what happens when the member for South Perth flashes up the six burner down in South Perth. When he gets out the barbecue, the Leader of the Opposition's days are numbered. This is a well-known fact. In Western Australian Liberal Party politics, the leader may think he controls the party, but Hon Peter Collier —

Point of Order

Mrs A.K. HAYDEN: I refer back to relevance.

The DEPUTY SPEAKER: Thank you. Minister, I encourage you to go back to the motion and speak to the motion. Go ahead.

Debate Resumed

Mr P. PAPALIA: I would happily go back to the motion condemning the Premier in terms of having elected the Morrison government and how terrible that is for the state. Maybe I should condemn him as well. That aside, we know that the Leader of the Opposition is not here and there is a reason for that. The Leader of the Opposition moved a motion attacking the Premier. He is the number one speaker. He spoke over there and then he ran out of the chamber. He is going to South Perth. He is trying to avoid the caucus meeting that is going on over there that will lead to the inevitable decline and dismissal of the Leader of the Liberal Party of the day. When the member for South Perth gets going—we have heard about how robust the member for South Perth can be; just ask Hon Peter Collier. If members are out on Rottnest Island, be careful what you say, because you might end up on your backside. He can do that to leaders of the Liberal Party as well, and he has done it a couple of times. It is well known that if he is not here and you are the Leader of the Liberal Party, you should be wondering where he is. You should be worried about the nature of any meetings that are going on.

I note, again, the absence of the Deputy Leader of the Opposition. If this is such an important motion, if this is a justified motion, as claimed by the Leader of the Opposition, as claimed by the member for Vasse—the member for Vasse made gentle and far less convincing efforts to be aggressive about the government. But that aside, if the motion is reasonable and the criticism appropriate, then surely the Leader of the Opposition and the deputy leader should be in the chamber. That would be an expectation. When we were in opposition—I did it for a long time.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Eight and a half years is a long time. If opposition members think they have done a while now, wait until the second term. That gets really long. When we moved motions condemning the government, the leader was always there and, generally, the deputy was there. They would bother to show up and stay for the length of the debate, because the intent was to raise a serious matter. The intent was not to just go through the motions. It was not just to —

Mr D.J. Kelly: Roll the arm over.

Mr P. PAPALIA: It was not just to roll the old arm over and watch it go —

Mr D.J. Kelly: John Howard-style.

Mr P. PAPALIA: I quite like John Howard, as a person. He did a wonderful thing with the gun buyback and the gun laws. It was the best thing he ever did. But he is not the best cricketer, even though he likes cricket. So, rolling the arm over John Howard-style is what we had earlier on from the Leader of the Opposition and then he scurried off the field, went into the change rooms and he is desperately looking for the member for South Perth. I hope he finds him because he might be able to get some pointers about the racing industry and its views on the sale of the TAB. It would be a good thing if he listened to the most knowledgeable person in Parliament on racing.

Mr D.J. Kelly: With the exception of the minister.

Mr P. PAPALIA: No; I concede that he knows more about it than I do. As far as racing is concerned, the member for South Perth is highly respected, and as indicated in his speech last night, his views were positive. He reflected quite seriously on the nature of what was happening to the industry, the importance of all aspects of the sale and how he supported it.

Mr M. Hughes: All aspects of the crossbench, I would think.

Mr P. PAPALIA: We would hope that the crossbench in the upper house was paying attention because that is the man who is respected in this Parliament more than anybody else. I hope that is what happened.

I have to respond a little to some of what the Leader of the Opposition said before he went off to try to defend his position. I wonder who the Deputy Leader of the Opposition was referring to, as indicated by the Premier earlier in question time. Apparently she said that there are cowards around spreading rumours about the leadership. She was referring to members in her own party of course. Does anyone know who she was talking about?

Mrs A.K. Hayden: It's not relevant to the motion.

Mr P. PAPALIA: It is pretty relevant because it was moved by the Leader of the Opposition. I am wondering whether the person who moved it is still the Leader of the Opposition. That is why it is relevant. It is very relevant because by the end of this debate, he may not be the leader and we would like to know who the leader is. Was an arrangement made? Has the Kirribilli accord been signed?

Point of Order

Mrs A.K. HAYDEN: For the third time, I raise the issue of relevance, hoping the minister will come back to the motion.

Debate Resumed

Mr P. PAPALIA: The member for Darling Range should hope in vain.

I will refer to a couple of the claims that have been made. I understand that the Leader of the Opposition would like to think he just went through an election. I understand that he would like to believe that he just won an election. It was interesting. The Speaker was very abrupt with me during question time today. Without reflecting —

Several members interjected.

Mr P. PAPALIA: He made me sit down in two minutes and then he let a member ask a question. I could not believe it. As I reflected during question time, I had the pleasure of meeting the newly appointed Minister for Defence Industry, Hon Melissa Price, this morning. It was great. It was wonderful to see her. It was nice to see her because I was a little concerned about her wellbeing during the election campaign. That concern did not solely reside with me. Most of the media in Australia were looking for the minister. They were wondering where she was.

Mr D.J. Kelly: I understand she now uses an EPIRB in case she goes missing.

Mr P. PAPALIA: That is not fair.

Mr P.A. Katsambanis: You joke about her communications out in the regions.

Mr P. PAPALIA: Come on, member for Hillarys!

Mrs A.K. Hayden interjected.

The DEPUTY SPEAKER: Member for Darling Range.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Mr P. PAPALIA: I have to give the member for Hillarys points for keeping a straight face.

When I saw the federal minister, I was wondering whether she might be in the company of the Leader of the Opposition because he too went missing throughout the election campaign. I know he indicated during his contribution earlier today that he was in a dark hole somewhere at the coalface. He was in a deep dark hole in a coalmine at the coalface throughout the election campaign. He has now emerged believing, erroneously, that he has won an election. Members opposite, it was a federal election. In some respects, it is an interesting outcome for the government of Western Australia. We have a fairly good relationship with the current government. As I said, I was down there talking to the Minister for Defence Industry. We were making a joint announcement about a defence science centre that we were both contributing to. We were doing twice as much as the federal government but it was participating.

During the election campaign, my friend Senator Simon Birmingham announced \$17 million for Rottneest Island. I am really happy that that will be delivered. It was matched by the federal opposition but it did not win so now we are going to get the money from our friends in the federal government. The federal Minister for Trade, Tourism and Investment is a good chap. I get on well with him. I look forward to working with him. Probably the closest person to Western Australia as far as friendly collegiate relationships with Mathias Cormann is the Minister for Transport. There is a bit of —

Mr S.A. Millman: Tension.

Mr P. PAPALIA: — tension on the other side of the chamber and across the Liberal Party and Mathias at the moment. I am sure that he is still friends with Hon Rita Saffioti, and why would he not be? The federal government has given billions to the Western Australian state Labor government because it knows that the McGowan government can deliver on massive infrastructure projects. It did not do that with the previous Liberal government. It is interesting to note that the federal government did not give the previous Liberal government any money. It talked about money but it did not give it the money. It resolved the GST issue because it knew it had a responsible government in town in Western Australia; it could rely upon our government to use the money properly in a responsible fashion. I understand that.

I understand how hard it must have been for Hon Christian Porter to sit through gritted teeth and campaign for the Ellenbrook rail line that he opposed so vehemently for years. He campaigned and demanded that we hurry up and build it during the election campaign. It was the greatest conversion since Paul on the road to Damascus. It was extraordinary and it was wonderful to see. That must be really challenging for members opposite. They would love to believe that somehow they will enjoy a benefit of the recent federal election victory that their federal colleagues had.

As I said earlier, it was not the member for Carine or the member for Riverton. The member for Riverton was not the leader; he was invisible. He was down the coalmine. He was compelled to go and hide for the entire election campaign. There were “Where’s Wally?” cartoons. Does anyone else remember the “Where’s Mike?” cartoons in *The West Australian*? They were not in the paper one day; they were there on a number of days. “Where’s Mike?”, they were wondering. They were looking for him. They were looking high and looking low but they could not find him no matter where they looked. They did not find him. It was sad to watch. It was interesting to observe him eventually emerge three weeks after the election and claim victory. It is an interesting insight into the state of mind of the Leader of the Opposition.

I am worried right now. I return to my initial observation about the member for South Perth. Last night, a step too far was taken. A serious matter was being discussed in this chamber—the sale of the TAB, something that the previous Barnett government failed to do. Not only did it fail, but it also damaged the racing industry of Western Australia dramatically because it declared that it would sell the TAB. As the Treasurer observed, correctly in my view, the former government had such a divide in its own cabinet and party rooms that it was incapable of pursuing the announcement that had been made by its Premier. I believe that the Premier was speaking in a genuine manner. He carried a lot of baggage about gambling and racing. I do not agree with what he used to say about the racing industry. I thought it was unnecessarily negative and damaging. His motivation was personal and not about the claims that the industry was immediately under threat. It was declining, as it is still today, but he carried a lot of bitterness.

Mr D.J. Kelly: About a lot of things.

Mr P. PAPALIA: About a lot of things, but that was one of them. He did not do consultation. He made proclamations and he told the industry what he was going to do. Among other things, that was shutting one of the tracks in the city and creating another one elsewhere. He told the industry that it would get only 20 per cent of the net sale return for an infrastructure fund, as we heard from the member for South Perth last night in his very considered and reasonable contribution. After 18 months of discussion, we have agreed with the industry, which told us it wanted to sell the TAB. It told us that because we asked, as opposed to the previous Premier who told

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

the industry without asking it. We asked what the industry wanted to do and provided the consultative committees for each of the codes with a lot of information, and multiple opportunities to question advisers, Treasury and RWWA personnel to gain an insight into the actual state of the TAB and the potential return from the sale for the industry. The industry then told us that it wanted us to sell the TAB, but it was always as a job lot—a package—that included a point-of-consumption tax, which we rolled out at the start of the year, and would conclude with a sale of the TAB and the creation of an infrastructure fund.

Numbers have been thrown around, in the order of \$100 million. I hope that is what it is. Who knows? We will not know until we go to market, but the reason 35 per cent of the net proceeds is there is that it was part of the agreement on the point-of-consumption tax, which gives the single most generous distribution of funds to the industry in the country. Our point-of-consumption disbursement to the industry, at 30 per cent of the 15 per cent point-of-consumption tax, is the single most generous in the country. It far exceeds the benchmark, which we were told during the discussions was that the industry would be no worse off. It far exceeds that. If the racing industry people who actually know are honest, they would be conceding that they got a very good deal out of the Treasurer on that one. The Treasurer was generous because we wanted to provide sustainability to the industry and ensure that it got the best deal so that in the future it would be as strong and robust as we could make it. Thousands of Western Australians are directly employed across the three codes, and many more derive their income from associated activities. As we have heard from members opposite and on this side of the house, in a large number of communities the racing event of the year, or the carnival of the year, is the biggest tourism attraction those communities possess. The best thing we could do, as decided by the industry, was to sell the TAB and provide the biggest and most generous disbursement of the point-of-consumption tax in the country, in conjunction with an infrastructure fund to provide a source of funding for infrastructure maintenance and upgrades over time—in perpetuity, hopefully. It will be managed at the outset by RWWA and, once the TAB has been sold, by Racing Western Australia, a new body. The governance model for the first three years will remain identical to the way it is at the moment, with the exception that Racing Western Australia will not have a role in running the TAB. It will retain all of the governance, integrity and stewardship.

Mr Z.R.F. Kirkup: This has nothing to do with the motion. Is it the only thing you know to talk about? What about the motion we are dealing with?

Mr P. PAPALIA: I can talk about a lot of things, but the reason I was talking about that is that I was referring to the member for South Perth's absence. The reason the member for South Perth may be absent—I am speculating—is that last night the hapless, befuddled, incompetent Leader of the Opposition took a step too far.

Point of Order

Mrs A.K. HAYDEN: The minister is not only not being relevant, he is now being highly repetitive. His entire speech has been the same thing over and over again and off topic.

The DEPUTY SPEAKER: Thank you, member. Being boring and repetitious is not so much —

Mr P. PAPALIA: It is almost compulsory, Madam Deputy Speaker. If we were to kick everyone out who did that, there would be no-one left—perhaps the Premier. Who knows?

Mr D.J. Kelly: He would not be here.

Mr P. PAPALIA: You are right. The Treasurer is pretty funny, and he does not repeat himself too often.

Debate Resumed

Mr P. PAPALIA: The reason I was referring to that matter is that I think that is what has motivated the member for South Perth. I think it has gone one step too far now. He cares about the racing industry. Last night was embarrassing and shameful, with the disgraceful manner in which the Liberal Party split and went all over the place and failed to take advice from the only person in this chamber on its side who understands racing, and joined with the fiscal wreckers and pirates from the National Party in its ridiculous motion. The only reason that happened was desperation on the part of the Leader of the Opposition, and that was one step too far for the member for South Perth. I would not be surprised if, this weekend, the barbecue is fired up and the political future of the member for Riverton is decided.

Mr A. Krsticevic: Do you want to bet on that?

Mr P. PAPALIA: No. I just said I would not be surprised. Who knows with your party? I do not know how it works. All I know is that every time a leader of the Liberal Party is toppled, it is preceded by the member for South Perth having a barbecue at his house on the weekend before. Who can say if those two things are connected? Who knows? It looks as though they are, but it may not be the cause; it may be coincidence.

In response to the claims about the management of this government made by the Leader of the Opposition before he left, he seems to have forgotten that he was part of a government, as were all members opposite.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Dr D.J. Honey interjected.

Mr P. PAPALIA: Okay, member for Cottesloe, not you, but all the rest of the members opposite.

Mrs A.K. Hayden: What about the member for Dawesville?

Mr P. PAPALIA: The member for Dawesville was up to his neck in it. What is the member for Darling Range talking about? The member for Dawesville was in the Premier's office; he was the backroom man. Do not give the member for Dawesville an excuse; he was right in there. The member for Cottesloe was not a member of the previous government; that is fair. The rest of the members opposite are responsible for forty thousand million dollars' worth of debt being handed over. The Leader of the Opposition does this—forty thousand million dollars' worth of debt; forty thousand million dollars' worth of debt. Shall I keep saying it? There was a lot of debt—unprecedented debt, incredible deficits, and that was what we inherited. Everybody knows that. The voters of Western Australia know that.

Mr A. Krsticevic interjected.

Mr P. PAPALIA: I am sorry, member for Carine, they knew whom they were voting for. They did not mistakenly go in there and think, "I'm voting for Hon Dr Mike Nahan this week." They knew that it was the Prime Minister, Scott Morrison. He was the one they knew they were selecting, not Dr Mike Nahan. He was not on the ticket. He was not there; people knew whom they were voting for.

Some strange observations were made by the member for Vasse about a couple of my portfolios, in particular, so I must respond to those. When members opposite are talking about claims made and damage done to the economy, mean-spirited increases and the like, small business crises and falling house prices, people understand that they were in a dire situation in 2017. That is why that result was recorded. They know that we inherited the situation that we did, and we are confronting a tough job. I talk to a lot of businesspeople in my portfolios. That is almost universally whom I talk to, with the exception of the Australian Manufacturing Workers' Union. I probably talk to its members.

Mr Z.R.F. Kirkup interjected.

Mr P. PAPALIA: Is the member going to call me a union hack? Tell Steve McCartney that.

I find it interesting. On the federal Liberal Party's election day, not the state Liberal Party's election day, I was on a booth at Warnbro Community High School and a chap in an orange T-shirt came up to me. Can anyone remember who was wearing orange T-shirts—one guess? The T-shirts had blue writing. It was people from Pauline Hanson's One Nation party. This chap came up to me and said, "Paul, can I shake your hand?" I said, "Yes, sure."

Several members interjected.

Mr P. PAPALIA: I am friendly; I am approachable.

Several members interjected.

Mr P. PAPALIA: Honestly, this is what he said to me, member for Dawesville. He said, "I just want to tell you what a great job your government is doing." He knew it was not my election.

Mr R.R. Whitby interjected.

Mr P. PAPALIA: It was a different guy but from the same party. The member for Baldvis thinks he met the same guy, but it was not. There were a lot of One Nation people out there applauding.

Several members interjected.

Mr P. PAPALIA: More interestingly, I keep bumping into Liberal Party businesspeople. I meet a lot of them. I am the Minister for Tourism, the Minister for Defence Issues and the Minister for Racing and Gaming, who is responsible for liquor licensing. I meet a lot of businesspeople who have affiliations with the Liberal Party and I can tell members that, universally, they commend us for doing the tough job. The member for Bunbury knows it is true. I was down there a week or so ago with the member for Bunbury and I do not think some of the blokes in the men's shed normally vote Labor. We were at a veterans men's shed and they were a pretty conservative bunch. They were nice blokes. They were complimentary. They said, "We feel sorry for you blokes; it's a tough job." That is the truth about the voting public of Western Australia. They acknowledge and recognise that we inherited a terrible situation, and they respect the fact that we are dealing with it. We are doing what they have asked us to do—we are fixing the mess.

Mr D.T. Punch interjected.

Mr P. PAPALIA: I do not think anyone heard that. We are fixing the mess. It is going to take a while. It does not happen overnight. But we can say that this budget delivered the lowest increases in utility and household costs in 13 years, and they noticed that too. People are not happy that prices have to go up at all. I understand that. They

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

would love it if there were no increases, but they also understand what happens if prices are not increased for a few years and then there is a leap. They acknowledge that because of the good governance, the discipline and the responsible nature of the McGowan government, we were capable of reinvesting some of the benefit from that responsible management—some \$350 million worth—on behalf of households of Western Australia to ensure that the lowest increases in household costs in 13 years were delivered. That did not just happen. The absent Leader of the Opposition and the absent Deputy Leader of the Opposition—I do not think they are in the same room together at the moment—would have us believe that anyone could have delivered that outcome. The Leader of the Opposition did not—ever. When the previous government was rolling in revenue and had the highest level of royalties and the highest revenue per capita of any jurisdiction in the country for a number of years in a row, not once did it spend less than it got. That is why we inherited that disastrous financial situation. People understand that a government has to first level off the spend and then it has to bring down the debt. Despite what the Leader of the Opposition said, debt is being reduced in our forward estimates. We are the only jurisdiction in the country that has forecast a reduction in debt—not the federal government and not any of the states that are run by Liberals. That is not happening.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: That is better than you ever did, mate. You never achieved it. All you did was add to the pile. All you did was build up the mountain. You were a disaster in government.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: I do not know what planet the member for Bateman was living on when he was a minister, but he did not contribute to reducing debt. He added to it. He did not once exercise the discipline necessary to forecast a reduction in debt. I was there when the former Premier predicted that debt would top out at \$20 billion. Then that had to be revised and then it had to be revised again. What has just happened to the credit rating? What did the member for Bateman experience with the credit rating? What happened when he was in government? Was it ever lifted? All that happened was it went down. That is what he did.

Mr D.C. Nalder: Why?

Mr P. PAPALIA: It was because of a lack of financial will. Moody's nailed you. Moody's said that you could not exercise the fiscal discipline and the political will to rein in growth in expenditure. That is what it said about you.

Mr D.C. Nalder: No, they didn't.

Mr P. PAPALIA: Sorry; Moody's said that about the government that the member for Bateman was in. Conversely, Moody's has commended the political will of our government. We are not making it up. People cannot scream "fake news" and pretend it did not happen. The member for Cottesloe cannot put his fingers in his ears. He just has to accept it; it is the reality.

The other thing that is interesting about all of this is that despite us not doing what the previous government intended to do, which was to sell Western Power and Fremantle port —

Mr R.R. Whitby: Flog everything.

Mr P. PAPALIA: — and flog everything and then run out the door, debt is being reduced. People wanted us to retain that.

Mr D.C. Nalder: Because the iron ore price has gone up and the GST has been fixed.

Mr P. PAPALIA: I was there for the first term of the previous government, member for Bateman, and I saw what happened. The member had increases in revenue every year. Did he reduce debt? No, he just spent it faster and faster. He shovelled it out the door and he sat in cabinet and let those fiscal vandals have the keys to the Treasury.

Mr D.C. Nalder interjected.

Mr P. PAPALIA: This is not fair.

Mr D.C. Nalder: It isn't fair?

Mr P. PAPALIA: It is not fair on Hansard.

The member let the fiscal vandals in the Nationals WA have the keys to the gold chest. What did they do? What did the former member for Pilbara—thank goodness we have a member for Pilbara who is responsible—do when he got hold of the money? When he got hold of the money, he shovelled it out the door.

Several members interjected.

The DEPUTY SPEAKER: Members, having a cross-conversation with yourselves at that volume is not on when Hansard is trying to record a debate. Please have some consideration.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Mr P. PAPALIA: The fact is that the state budget is in surplus this year. This is the first time in five years. Regardless of whether members want to concede the reality, part of that—I am not saying that it is the whole part; yes, it is true that there were some benefits from the GST top-ups and iron ore revenue—is that there has to be restraint in expenditure growth to benefit from it. Even the member for Bateman has to concede that.

Mr D.C. Nalder: I acknowledged it.

Mr P. PAPALIA: That is a reasonable thing to acknowledge. I know that the Leader of the Opposition has not, and he cannot bring himself to do that. He is going to retire from politics having never, ever done what he claimed for decades before he came to this place that governments should do. He lectured—I used to read it in *The West Australian*—Labor governments around the nation about their incompetence and their inability to manage finances. Then when he finally got into a position of power in a government with more royalties and revenue than it knew what to do with, he failed to deliver on his principles. He abandoned them completely. I suspect that he will go down in history as the single worst Treasurer in the history of Western Australia. If he does not, he will be rivalled by other Treasurers in the Barnett government, of which there were many. It is a sad thing. I understand the Leader of the Opposition's frustration as he nears the end of this phase of his life and looks to leave politics. That will be his legacy. I understand; I know what motivates him, and that is why he moved this ridiculous motion. He is looking to the horizon and retirement from politics, having failed to do what he has told everyone else they should be doing his entire adult life. That will be pretty tough. We only get one shot at it. I was a backbencher in the former Labor government for 18 months and I then spent eight and a half years in opposition. Members are very fortunate if they end up in government. Who knows whether we will be here for long? But if members do not deliver on what they have pontificated about for decades —

Mrs A.K. Hayden: Selling the TAB.

Mr P. PAPALIA: I did not pontificate about the TAB for decades—that is ridiculous! Maybe the member for Darling Range did not hear what I said earlier. We asked the industry whether it wanted to sell the TAB, and it said yes. That is our motivation. I am not a racing person. I was given the portfolio and my responsibility is to be the minister for all racing and give the industry the best possible chance. I stand for all codes of racing. The message to country racing clubs, the member for Geraldton and everyone who cares about this issue—I know the member for Geraldton cares—is that once the TAB is sold, the best possible outcome for country, provincial and smaller clubs is a new Western Australian racing body that acts in the best interests of all racing codes. If that does not happen, the consequences could be, and in all likelihood will be, that those who generate the revenue, the ones who generate most of the income, will get the most say. If they get the money they generate, similar to royalties for regions, it will not be royalties for regions, my friend; it will be royalties for Perth Racing. The best defence against that is our good governance model. Racing and Wagering Western Australia should be applauded for defending and acting in the interests of all racing codes. At times it will upset people because not everyone will get their way. Some decisions will be tough and will have to be made in the interests of racing overall. RWWA has been doing that. Honestly, I have been watching it and when it makes those tough decisions—some of them are very unpopular at times—it does so in the interests of all racing. We did not particularly want to sell the TAB. What is the benefit for the government? It was not a measure that we committed to at the election. We said that we would listen to the industry and do what it wanted. The industry wants to sell the TAB.

Mrs A.K. Hayden interjected.

Mr P. PAPALIA: Yes, in 2016. Unlike the process that was engaged in in the later years of the former government, we gave the consultative committees of each of the codes access to far more information than they had ever been given. They analysed that information and were given advice by Investec, RWWA and Treasury, and ultimately they arrived at the decision to sell the TAB. Part of that decision was that they be given a package that involves the point-of-consumption tax and the sale of the TAB—it was one package. I was at the meeting when the details about the point-of-consumption tax were arrived at.

Mrs A.K. Hayden interjected.

Mr P. PAPALIA: That is what we are talking about—small business. The vast majority of those in the racing industry are small businesses. It is a serious matter. Last night it was not debated in a serious way. The vast majority of people in regional racing will benefit from what has been proposed, and they will benefit because they will be looked after by a principal racing authority that does not have a dog in the race or the fight. It will be there for everybody, but sometimes tough decisions will have to be made. That is already happening; members opposite know that. Some clubs are already having to close because there are not enough volunteers, horses, crowds, people for the committees, and all those things that are happening right across the country. When they consolidate, they will at times still retain race meets. They will still be able to hold picnic races out of other clubs, which is happening in Kalgoorlie with Coolgardie and Boulder still having the opportunity to hold races. Where possible, they will retain a presence and participate in the industry without the people who derive their income from the industry

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

losing their livelihoods. There is no conspiracy that we are ripping money out of the industry. This stuff about 100 per cent was never going to happen. The former Premier stood right next to the member for South Perth and said that he would give the industry 20 per cent. As the Treasurer indicated, the negotiations were lengthy and deeply collaborative. I was at a lot of the meetings and the consultative committees were given access to a lot of information. They were provided with anything they wanted.

Mr A. Krsticevic interjected.

Mr P. PAPALIA: It is about small business. The motion refers to the government having condemnation for small business. The racing industry is full of small businesses.

Mr A. Krsticevic interjected.

Mr P. PAPALIA: Of course it is relevant. The claims that the McGowan Labor government has somehow damaged small business are ridiculous. There are circumstances confronting retail. Another thing is the reference to retail in Beaufort Street. I can happily engage with the member for Geraldton and talk about racing, particularly the clubs in his electorate and their views. I understand where they are coming from because I was talking to them before the election.

Mr I.C. Blayney: You probably told them you weren't going to privatise the TAB.

Mr P. PAPALIA: I did not, actually. By that time, because we were going to the election, I said that we would listen to the industry and what is in the interests of the industry, and that is what we did. It is ridiculous to claim that somehow the Labor Party stopped the former government from selling the TAB. The former government had a majority in both houses of Parliament. It could have done whatever it wanted to do, similar to what it did three times with land tax. As the Treasurer said, it is silly and members opposite should not say that.

The member for Vasse in particular claimed that somehow the state government has descended on small business and shut down Beaufort Street. Really, that is a ridiculous claim. We brought in the most expansive and significant amendments to the Liquor Act since the last time it was done by a Labor government when the small bars legislation was introduced. We did that last year and that has benefited small businesses, including the hospitality sector, right across the state. To use the language that the motion employs, if the opposition was not so mean-spirited, it would concede and acknowledge that that is true. The former government failed to do some of the things that were crying out to be done. It failed to remove the requirement that restaurants serving fewer than 120 people seek an annual permit to serve liquor without a meal. I remember being in this place when we introduced that significant legislation. Similar to the debate about the TAB sale, we did not really know where the Liberal Party stood. When it came to things such as standing up for small businesses represented by the Liquor Stores Association of WA and the Australian Hotels Association—those people who were threatened by the big conglomerates; the Coles and Woolworths behemoths that were rolling out big-box liquor barns right across the country without respect for the consequences of oversupply and intentionally oversupplying in some areas and driving smaller players out of business—members opposite opposed the legislation. A lot of members on the other side of the chamber lectured me about how some of the big-box liquor stores began as small guys. They said that we were stopping the little guys from growing up to be Woolworths or Coles. Some contributions made by the member for Hillarys must be embarrassing to him now.

I have to give credit to the Deputy Leader of the Opposition; she came to the Liquor Stores Association of WA awards last year, just after that legislation had passed through the house. There was a standing ovation for the Labor Party's amendments to the act and our delivery of what we said we would do. We engaged with the sector. We were able to talk to, reason with and work with the business sector and deliver on its aims and objectives. We did that. We did it for literally hundreds of small businesses across the state that are liquor stores. That is something we did. When members talk about our mean-spiritedness, they should consider that they opposed that legislation in this chamber. We were saying that there should not be big-box liquor barns on every corner. For example, the Deputy Speaker's electorate was already serviced by 16 small liquor outlets, some of which were very high-quality outlets that delivered niche markets and provided quality service. Those 16 outlets were meeting the particular demands and needs of their customers. One of the big-box liquor purveyors wanted to open up one of its barns there and just wipe them out. There was no option for that community to oppose it. There was no question that the little guys would have a chance. The Liberal Party of Western Australia threw them to the wolves, with the exception of the member for South Perth. I commend him again. He was quite noble in his stance, which was at odds with most members of his party, or at least some of them in the lower house. I concede that there was a little more sanity in the upper house. Ultimately, the legislation passed. There was a lot of support from some backbenchers. I acknowledge the support of members of other parties for that legislation, because it was a good outcome for small business, the hospitality sector and the tourism industry.

Members opposite have criticised us and claimed that we have been mean-spirited. We did not cause any crisis for small business. In fact, other things we have done have focused entirely on growing opportunities for small

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

business. I will talk about tourism, because I have not done so yet today. I heard the member for Vasse mention tourism. She slipped on through there. She mentioned it briefly near the end of her contribution.

Several members interjected.

Mr P. PAPALIA: I heard her mention the Urbnsurf wave park, do not worry! However, I did not hear much else.

Ms L. Mettam: What have you delivered? Not much.

Mr P. PAPALIA: I did not hear the member for Vasse acknowledge that 2018 was the biggest tourism year in the history of Western Australia. Throughout that year, the member for Vasse talked down the Western Australian industry in her many opinion pieces in *The West Australian*. I did not hear her concede —

Ms L. Mettam: You can laminate them.

Mr P. PAPALIA: I have them on my wall. However, I did not hear her concede that what was happening was because of the way the data was presented—it was presented quarterly, but it covered a 12-month period up to that date. Because of that, we were lumbered with the Barnett government's bad data. That government failed in tourism because of its abject failure to prepare for the end of the boom. There was a massive arrival of thousands of additional hotel rooms at a time when demand from business travel plummeted. There was no preparation for that at all; there was no focus on growing new markets or delivering opportunities for all hospitality and tourism players around the state. During the boom, they had not had to do much to get clientele, but in 2017, that situation had changed. There was no preparation for that at all. We arrived in March.

Ms L. Mettam: Yes, you did a few things.

Mr P. PAPALIA: Well, we did not actually do anything until July. We arrived three months into the year. Nothing changed in the way of personnel, structure, budget or anything like that until six months in. Our first budget was in September. What happened in September? We now know that things started to improve from September onwards. We now know that some of the campaigns we ran in the latter part of 2017 did bring people to Western Australia from outside the state. We now know that when we launched the two-year action plan in March 2018, it was successful. It is successful today.

Mr D.J. Kelly: How successful?

Mr P. PAPALIA: Pretty successful! We have had the highest growth in international holidaymakers in the country. We are coming off a low base, because the previous government destroyed it. There was no leisure market during the boom. During the boom we had a business traveller market, and also visiting friends and relatives associated with the boom. No work was done on growing the leisure market. Working holidaymakers were driven off by the backpacker tax and then the downturn in the economy. There were four years of really terrible outcomes in Western Australia under the previous government. Now there are jobs, so working holidaymakers will come back. We are campaigning in target markets to tell them there are jobs. They are coming back. There are also a range of campaigns to tell people that we are not the very expensive, very difficult place they might have experienced, and that now is the time to come. We have the most affordable and highest-quality hotels in the country, if not the world. We have more coming online. It is really good to see DoubleTree by Hilton on the waterfront. Have members been down there? There is work going on again. I was talking to David Constantine from the Hilton group. He said this morning that that may be coming online around April next year. That is exciting. There are others. Hilton is working in Fremantle. I was talking to Brad Pettitt, the Mayor of Fremantle, at a function this morning.

Mr Z.R.F. Kirkup interjected.

Mr P. PAPALIA: It was at the Perth Convention Bureau Aspire Awards day. The City of Fremantle sponsors a wonderful award. Those awards are about promoting Western Australian tourism and bringing more people to the state. We have to commend them.

Mr Z.R.F. Kirkup interjected.

Mr P. PAPALIA: I talk to anybody, member. I even talk to the member for Dawesville.

Mr Z.R.F. Kirkup: You do!

Mr P. PAPALIA: Brad Pettitt was saying that something like four or five hotels are on the books in Fremantle. I know about that anyway; I have met with some of the proponents. That will transform Fremantle, along with the Department of Housing going there. A significant number of public servants will be living and working in the city. Couple that with some really good additional accommodation and Fremantle is going to have another surge.

As people have probably heard, the government has focused on growing new direct flights to Perth, because the Barnett government did nothing. It lost the direct flight to Japan in 2011. The last time a Barnett government

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

tourism minister visited Japan was in 2012. Every other state has China as its number one or two source of visitors; it is number six in Western Australia. There is no great mystery to that. We have one direct flight from Guangzhou three to five times a week depending on the season. Melbourne has 14 direct flights a day from China, and Sydney has 12. When they were getting those flights, the former Premier was lecturing Tasmania about how he might go down there and fix its economy. The Barnett government was not going to China to talk to airlines. The last time a Barnett government tourism minister went to China was in 2011. Coincidentally, that was the year we got the Guangzhou flight. Had they continued that effort, we might have been in a far better position. We are pursuing it. State governments have to demonstrate that they want these airlines to fly. They need to pursue them. The reason All Nippon Airways will commence flying seven days a week from Tokyo to Perth from 1 September is that we went up there and convinced it to do it. There is no other reason. It was not on the books.

Ms L. Mettam interjected.

Dr A.D. Buti: The member for Vasse should occasionally say that it is good.

Mr P. PAPALIA: It is good.

Several members interjected.

The DEPUTY SPEAKER: Member for Armadale, if you want to contribute to the debate, you should stand up after the minister has finished. It is a bit difficult to record this conversation. Go ahead, minister.

Mr P. PAPALIA: That will be a massive boost to both small business and big business right across the state. The member for Vasse has to concede that; there is no denying that. It is the opportunity for a serious Japanese leisure market that WA has not enjoyed for decades—there was one a couple of decades ago. Japanese retirees, young couples and families coming, affordably, on a direct flight with a Japanese world-class airline from Tokyo to Perth will be a great outcome. Coincidentally, a few Western Australians will not mind going the other way. I am sure that will be a very successful route. We are focused on trying to get a direct flight from Shanghai. It is tough because we are coming from a fair way back regarding engagement. Of course, we want a direct flight from India, as the member for Pilbara knows. He is a champion of that advocacy and we are working hard to try to get an Indian airline because the benefits to small and big business right across the state would be huge. We will grow thousands of jobs if we can get these direct flights. More people from outside the state from international markets that we are not in at the moment and growing them dramatically in a short time frame will have a massive positive benefit for Western Australia. That is a good thing that the government is doing. We have responded to the challenge. We know it is tough in small business. Half the members on this side have been in small business. We know how tough it is and we are doing everything we can.

I rolled out the subbies support unit legislation only today—something that no-one else in the country has thought of but we are doing it because we want to help subcontractors. We care about them. A raft of people out there were dropped by the previous government and, shamefully, left without any support. Many people lost their home, marriages broke up and, tragically, some took their lives because in government contracts, they were left at the mercy of prime contractors who did the wrong thing or principals who extracted blood from a stone in the contract negotiations and, as a consequence, small businesses suffered. Hon Dr Mike Nahan said, “There’s nothing we can do; it’s a commercial arrangement between the prime and the subcontractor.” We did not say that; we promised to help and today, we introduced legislation that will help. We have a subcontractor support unit in place waiting for those powers. As soon as it passes through the upper house and receives royal assent, we can be out there being a cop on the beat. David Eaton is a great Commissioner for Small Business and is doing the right thing.

MRS A.K. HAYDEN (Darling Range) [6.02 pm]: I would like to remind the house of the motion we are speaking on today. I stand here extremely proud to support the motion —

That this house notes the critical role Mark McGowan had in the election of the Morrison government, in particular, his failure to deliver jobs, his mean-spirited increases to the cost of living, the small business crisis, and falling house prices.

Unlike the minister who just spoke about the TAB and everything else other than the motion, I thought it would be quite relevant to bring it back to what it is. I note that the minister spoke on the TAB tonight because he was obviously not allowed to speak on it last night. The Treasurer took the lead and we noticed that the Minister for Racing and Gaming was gagged and could not speak on that bill. I am glad he has had his five minutes of fame on his topic.

Getting back to the motion, the result on 18 May saw a Liberal–National federal government returned to Parliament with an overall vote of 55.55 per cent. The Liberal Senate vote was increased by 2.46 per cent, which saw number three on the Senate ticket for WA elected to Parliament. I am honoured to stand here and acknowledge Matt O’Sullivan, the extremely hardworking Senator-elect, who has made it into Parliament and cannot wait for

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

his swearing in. Matt O'Sullivan will be a great asset to the federal team. On the other hand, the WA Labor Party had the second worst result in the country. WA came second-last to Queensland and I want to thank our Gold Coast "pineapples" in Queensland for giving us their support. WA came second last.

I want to remind members what they were all doing on the Thursday before the federal election. It is a shame they are not all in here tonight. On the Thursday before election day, they sat there extremely confident and extremely smug talking about the future with a Shorten Prime Ministry. How short was that? It did not even get there. The entire government benches were bragging about how it would be working with a Shorten Prime Ministry—happy and smug.

Mr D.T. Punch interjected.

Mrs A.K. HAYDEN: They were extremely confident. Let me tell members opposite, their confidence was not rewarded. However, I have to give them credit. Their skin is extremely thick because —

Mr D.J. Kelly: I respect what you're saying. We know what it's like.

Mrs A.K. HAYDEN: I want to give them credit. Their skin is extremely thick, but they come in here, ignoring the fact that they lost on 18 May, as though nothing has happened. An intelligent government would say, "What did we do wrong? Maybe we could learn something." However, I am grateful they are all thick skinned; I am grateful that they are not listening to why they lost because it will make it even easier come March 2021.

For those on our side, 18 May reminds me of another extremely important date. The similarities are uncanny. Government members were extremely confident that Labor would win. Months, weeks, days and hours before election day, the polls said Labor would win. The Labor government was out there with the Premier front and centre. What does 18 May remind me of? I remind members opposite that it is very similar to the events of another day. The polls said Labor would win. Labor government members were very confident they would win and the Premier was front and centre. What does that remind us of? I will tell them what it reminds me of.

Mr D.J. Kelly: It's all about you, member.

Mrs A.K. HAYDEN: It reminds me of 23 June 2018 when members opposite lost the seat of Darling Range.

Mr D.J. Kelly: It's all about you.

Mrs A.K. HAYDEN: It is all about the community of Darling Range. Do members know what I love? Every time I stand up here, I remind members opposite that they lost. The Minister for Fisheries should do his crayfish crawl backwards and focus on his job.

Mr D.J. Kelly: Crayfish don't crawl backwards.

Mrs A.K. HAYDEN: I am glad he has learnt something about crayfish.

Mrs L.M. Harvey interjected.

Withdrawal of Remark

The ACTING SPEAKER (Ms M.M. Quirk): Member for Scarborough, would you withdraw that, please?

Mrs L.M. HARVEY: I withdraw that.

The ACTING SPEAKER: Thank you very much.

Debate Resumed

Mr D.J. Kelly: Just shows you're under a bit of pressure.

Mrs A.K. HAYDEN: The dates of 18 May and 23 June, which I need to remind members is Sunday next week, will mark a year since I was elected. I know they all think I arrived only yesterday and I know many members opposite —

Mrs R.M.J. Clarke interjected.

Mrs A.K. HAYDEN: Who are you?

The ACTING SPEAKER: Member for Murray-Wellington!

Mrs A.K. HAYDEN: On 23 June, with the Premier front and centre, and 18 May, a year later, with the Premier front and centre again, what did they get? They got a big loss. What also was front and centre was the cost-of-living. We come in this place every day and remind members that the people out there are hurting. They cannot afford this government's increased power bills; its increased water bills or its increases in car registration, yet it keeps hiking them up. The government brought down its show-no-mercy budget the day before the federal election. Household fees and charges have increased by \$850 under this government's watch.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Members over there do not seem to want to believe me. They do not want to listen to the reports that come in because we are just the opposition. They are not listening even though the federal campaign was run on the cost-of-living and Labor was wiped out no matter what the polls said. If members opposite do not want to listen to me, maybe they should read the Economic Regulation —

I will start again.

Mr D.J. Kelly: Read it out!

Mrs A.K. HAYDEN: Don't be rude.

Mr D.J. Kelly: Don't try to ad lib; just read it out!

Mrs A.K. HAYDEN: I have not heard from the minister for a while. When he next gets to his feet we will have some fun!

The Economic Regulation Authority put out a report on 12 April 2019 on energy distributors and retailers. I will read this to members. They are not my words, so the minister cannot say, "That's just the member for Darling Range." It is the voters who are saying this. I quote from an ERA report —

The rate of residential electricity disconnections in Western Australian has more than doubled over the past two years, reaching a six-year high of 1.91 per cent.

More than double the number of residents have had their power disconnected because they cannot afford the government's bills.

Mr J.E. McGrath: How do they sleep at night?

Mrs A.K. HAYDEN: They just ignore them. They sing *Mary had a little lamb* when they go to sleep and ignore what is going on in the real world!

The ERA report goes on to say —

Western Australia had a higher rate of disconnections than New South Wales, South Australia or Victoria.

Electricity price increases, limits on hardship grants ...

Yesterday during question time, when I asked the Premier about the hard cuts to Seniors Cards, he said, "I don't know what you're talking about." Mate, learn your job. Learn what you have done!

The ERA said the issue is electricity prices and limits on hardship grants. Premier, that is the hardship utility grant scheme and the WA Seniors Card. If members do not know what that means—hardship grants, WA Seniors Cards and HUGS—those cuts are causing people to get their power disconnected.

The quote continues —

... and the growing unemployment rate have made it harder for consumers to pay their energy bills.

While the unit price of electricity did not increase in 2017/18, the State Government doubled the daily fixed charge component of the residential electricity tariff, increasing bills by around \$170 per year.

The Treasurer was being cute when he said, "Our percentage was only this increase." The percentage of the increase may only be this much, but this government has doubled the fixed charge to \$170 a year. Mums and dads who are trying to save money cannot simply say to the kids, "Turn the TV off, turn the power off, we're going to light the candles and do a jigsaw tonight because we need to save money." It does not matter whether they do that because the government has charged them for the right to have electricity connected to their house.

People turned against the Labor Party in the Darling Range by-election and again during the federal election. Our Premier was front and centre because Bill Shorten was not popular. They said, "Let's wheel out the Premier. He should gain some extra votes." Bomb, bomb; he did not. When the Labor Party talks about our leadership problems, it needs to worry about its leadership problems. That was the cost of living. If government members do not want to listen to me, they should start reading some stats from the Economic Regulation Authority. They might learn something.

Gary Adshead wrote a great article about the reason federal Labor lost. He used the federal seat of Swan as an example. I want to congratulate Steve Irons for his return to that seat—not that we had any doubt. He won over the Labor candidate, Hannah Beazley. Even though she was the only Labor candidate with any profile, she still lost. The article states —

Irons' best swings were in places like blue-collar High Wycombe South ... Belmont East ...

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

With the member for Belmont's change of heart on the sale of the TAB and the by-election result here, I do not think she has much chance at the next election. The rest of the sentence states —

and heavily immigrant Queens Park ...

The seat of Swan saw an increase in blue-collar areas. I again quote from the article —

The booth results underline election post mortems that have criticised Labor's messaging and policies, and that of its unions and GetUp! too.

The figures underscore how badly disconnected Labor has come from its traditional support base.

The Labor Party is not listening to us, it is not listening to voters, it is not listening to the paper and it is not listening to reports. I want to thank the Premier; keep up the great work! We will come in and take over government positions in March 2021. Do not change anything. Please note, you are hurting families, you are hurting small businesses and you are hurting the economy of Western Australia.

I just want to touch on small business. Our shadow Minister for Small Business, the member for Vasse, outlined it quite well in her speech. I have noticed the government no longer quotes the Chamber of Commerce and Industry of Western Australia. It was quoting the CCI not long ago. An article in today's paper illustrates why it no longer quotes it. The article states —

“WA has the highest payroll tax burden—a literal tax on jobs—of any State in the nation,” CCI WA chief executive Chris Rodwell said.

“It is more expensive to create a job here than anywhere else in Australia because of this State ...

What does this government stand on? Jobs. It said, “We're here to deliver jobs.” CCI WA is saying the government is putting a brake on jobs. In his earlier contribution, the Minister for Small Business said the government is doing all these programs to help small business. The best way to help small business is to support consumers. If consumers cannot afford the government's bills, and the cost of living is not leaving any cents left in consumers' wallets or purses to support small businesses, small businesses cannot employ people, small businesses cannot make money and small businesses will shut their doors.

On Friday, I walked the streets of Mundaring in my electorate with representatives from the Mundaring Chamber of Commerce and Industry and spoke with businesspeople. There were six cafes; there are now five. Three cafes are up for sale. There are two left. The two cafes that are not up for sale have been there for a very long time and have good deals on their rent. They will try to carry themselves through. I spoke to the owner of the shopping centre there. Many shops are vacant, and have been for a long time. Two tenants have said that they are not going to renew their leases. They are just going to walk away. They cannot continue to operate.

When I walked down the shopping strip of Mundaring, there was empty shop after empty shop. Every business I went into said that business is dead. People do not come in. I went up to the Ming Chinese restaurant, which has been there for a very long time. It is very popular. I was told when I went in there, “My customers are still coming but do you know what, Alyssa, they're no longer eating in. They will buy a takeaway meal because that way they're limited to just getting one meal. They don't need to buy a drink or have a coffee.” The ones who dine in no longer order the entree, main and dessert and have a coffee, and they do not order a bottle of wine. They come in, get their one meal and a rice and go. Customers have not left, but the customer spend has decreased. Why? Because they simply cannot afford the bills that the Premier and the Treasurer, and everyone on the government side, has imposed on families, seniors and households.

Government members do not need to take it from me. The Labor Party can ignore the papers and the reports, but the one thing it cannot ignore is the federal election result of 18 May. Do not believe the polls. The polls got it all wrong again. The Premier got it all wrong again. Everyone on the other side has it all wrong again. I will leave members on this note: please, don't change your ways. The member for Dawesville is not here to give me the daily countdown. Members opposite should enjoy their last few months in government.

Dr D.J. Honey: Six hundred days.

Mrs A.K. HAYDEN: Six hundred-odd days. Where is the member for Dawesville when I need him? Member for Dawesville, how many days have we got left?

A member interjected.

Mrs A.K. HAYDEN: There we go—640 days.

The ACTING SPEAKER: Member, you are not in your seat.

Mr Z.R.F. Kirkup: I am now, Acting Speaker—640.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

Mrs A.K. HAYDEN: Thank you, member for Dawesville—640 days. Enjoy it. As the Minister for Fisheries said, I know what it is like to lose. Yes, I do know what it is like to lose—it is not nice. When members stop listening to their community, they are voted out. I am looking forward to the day when I can shake the minister’s hand and say, “Nice knowing you.”

MR D.J. KELLY (Bassendean — Minister for Water) [6.20 pm]: It is a pleasure to get up to respond to this motion. We have just had a federal election and I cannot believe the absolute cockiness of members opposite when discussing it. We just heard from the member for Darling Range, who, in March 2017, was tossed out of the Legislative Council on her ear because she was part of a government that had treated the Western Australian public with utter contempt. There has now been a federal election and she comes in here saying that she is counting down the days until she is back in government! That, member for Darling Range, is the sort of confidence, cockiness, hubris, arrogance—call it what you like—that will see members opposite in opposition for a very long time.

[Quorum formed.]

Mr D.J. KELLY: I was saying that the contributions of members opposite shows all the arrogance and cockiness that is unbecoming of an opposition. Their government absolutely destroyed the Western Australian economy. The people of Western Australia completely lost confidence in their ability to govern; yet, after only two years, the likes of the member for Dawesville, who got into Parliament by the skin of his teeth, are counting down the days until they are in government.

Throughout the whole of the federal election campaign, the Leader of the Opposition was literally in a witness protection program, along with the federal environment minister, Melissa Price. He conceded in his contribution today that he had been hiding down a coalmine during that period. Opposition members should take a good hard look at themselves before coming in here and saying that they are fit to govern and that they are on the way back. Let me tell members, they are a long way from being fit to govern this state again.

The ACTING SPEAKER: Leader of the House, did you forget to do something? Thank you.

Mr D.J. KELLY: The motion refers to the mean-spirited fees and charges imposed by this government. I will say something about the increases in water charges under this government. In the last budget, the increase in fees and charges as they related to water —

The ACTING SPEAKER (Ms M.M. Quirk): Minister, would you sit down for a moment. The member for Vasse has just returned to the chamber. Member for Vasse, when a quorum is called and you come into the chamber, you need to stay here until a quorum is present. As I said to you yesterday, you have been here long enough to know better.

Mr D.J. KELLY: Thank you, Madam Acting Speaker. I hope that members opposite learn something from this debate. I certainly learnt something from the member for Vasse’s contribution a bit earlier. I learnt that she is much better at interjecting than delivering a speech.

Ms L. Mettam interjected.

Mr D.J. KELLY: See, she is here and she interjects! To interject, a member needs only to have a single thought and convince their mouth to get it out. In her contribution today she struggled to put together a coherent argument. But I will move on.

Ms L. Mettam: It’s about quality.

Mr D.J. KELLY: I love it! She is good at interjecting. She has a big voice, is very clear and she gets it out there. But when it comes to delivering a coherent argument, the member for Vasse is somewhat lacking.

Before that discussion about the member for Vasse, I was talking about water charges under this government. In the last budget water charges increased by 2.5 per cent. That has been the lowest increase in water charges in this state since 2005–06.

Ms L. Mettam: Is that at cost recovery?

Mr D.J. KELLY: The member for Vasse, with a good interjection, asks what about cost recovery. Cost recovery for the Water Corporation, across its charges, is either 100 or 99 per cent, depending on how the figure is rounded. Opposition members are saying that because the government is over cost recovering for water then water charges should decrease. Overall, cost recovery for the Water Corporation is 99 or 100 per cent, and that has been pretty constant since the time of the previous Liberal–National government. The cost-recovery position of the Water Corporation has really not changed.

In this government’s last budget there was a 2.5 per cent increase in water charges, the lowest increase since 2005–06. Under the previous government—of which the member for Vasse was a member and when the current shadow Minister for Water was for much of that time the president of the Liberal Party—there were increases of

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

10.8 per cent, 8.5 per cent, 6.8 per cent, six per cent, 5.2 per cent, 4.5 per cent, 4.5 per cent and six per cent. There were increases year on year under the previous Liberal–National government.

Dr D.J. Honey: Yes, to get cost recovery.

Mr D.J. KELLY: I think that the member for Cottesloe must have walked out of the chamber, had a quick trip to the buffet, and then walked back in. As he would know—I think he asked this question during estimates—the Water Corporation’s overall cost recovery position is 99 to 100 per cent when we look at its overall charges.

Dr D.J. HONEY: Net cash was \$100 million.

Mr D.J. Kelly: The member for Cottesloe is suggesting that because the Water Corporation is making a profit, its cost recovery must be at more than 100 per cent. That shows two things. It acknowledges that in every year of the previous Barnett Liberal government—under the member for Cottesloe’s rationale—it was over cost recovering. According to his benchmark, he is saying that the previous government was gouging. However, what it really shows is that the member for Cottesloe does not know how cost recovery and cost reflectivity work within the Water Corporation. The fact that the Water Corporation returns a net dividend to government does not mean that it is over cost recovering in respect of fees and charges.

Dr D.J. Honey interjected.

Mr D.J. KELLY: I am happy to get to the member for Cottesloe in a minute. I am glad that the member interjected, because there has been some discussion about the relative merits of people so far in this debate. I have said before that the member for Cottesloe is the closest thing we will ever get in modern times to a Labor member for Cottesloe. This is not because he is a member of the Labor Party but because he was the candidate that we were so happy to have coming out of the preselection after Hon Colin Barnett resigned. When we looked at who was in the marketplace, there was a wonderful candidate named Emma Roberts, who many people in the Liberal Party hoped would win that preselection. One of the people who hoped Emma Roberts was preselected was in fact the current member for Scarborough. The current member for Scarborough was quite dismayed that the member won that preselection. She talked about how lonely it is in the Liberal Party for a woman. She said she had more female siblings than colleagues in the Liberal caucus. There has been discussion about the Leader of the Opposition’s leadership. The member for Scarborough was talking about the cowards today who might be out there spreading these malicious rumours. Presumably the people who spread the rumours about Liza Harvey, the member for Scarborough, having a deal for her to ascend to the leadership—she speculated about who the cowards might be who might spread those rumours. Given what the member for Scarborough has said about the member for Cottesloe and how disappointed she was that he is actually in the caucus, maybe he might be—who are the people in *Cluedo*?

Mr D.R. Michael: Professor Plum.

Mr D.J. KELLY: Professor Plum, with the —

Mr D.R. Michael: Candlestick.

Mr D.J. KELLY: Professor Plum with the candlestick in the boardroom. Who in the caucus would want to spike the member for Scarborough’s road to the leadership other than the member for Churchlands and the member for Bateman? I suspect it is the member for Cottesloe, because the member for Scarborough was quite harsh when he won that preselection.

Dr D.J. Honey: We have the highest regard for each other.

Mr D.J. KELLY: That member is saying that they have made up, have they? As I say, in modern times, the member for Cottesloe is the closest thing we will ever have to a Labor member in Cottesloe, because throughout that whole preselection, we were on his side. We thought that the last thing we needed was to have a talented woman in the safe seat of Cottesloe, and what did we get? We got someone who —

Mr D.R. Michael: More like Colonel Mustard.

Mr D.J. KELLY: We got someone who is more like Colonel Mustard, with a monocle. In a piece called “Analysis” that Jessica Strutt wrote after the member for Cottesloe’s preselection, he was described as the establishment candidate—I think that says a lot—who is good at fundraising. I do not know how that has gone. I hope the member for Cottesloe has delivered.

I will get back to the fees and charges in the water portfolio under this government. There is a 2.5 per cent increase in the last budget. This is the lowest increase back to 2005 and 2006. The allegation that we have been mean-spirited when looking at the water fees and charges simply does not stack up.

Dr D.J. Honey: What about the rate of inflation?

Mr D.J. KELLY: It does not stack up. The member for Cottesloe says, “Well, what about the rate of inflation?” Every year of the Barnett Liberal–National government, it increased the price of water by more than the rate of

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

inflation. Every year and every budget, member for Cottesloe, over eight budgets, it increased the price of water by more than the rate of inflation. So, do not come in here and talk about the rate of inflation being the relevant benchmark, because on its own benchmark, the previous government was absolutely ruthless in the way that it jacked up fees and charges, including water, at a time when the government was absolutely overflowing with revenue. One of the opposition members today talked about the iron ore prices being \$US100 a tonne. The previous government had it at \$US140 or \$US160 a tonne. It was absolutely extraordinary. The member for Nedlands was probably the Minister for Water at that time.

Mr W.R. Marmion: I was minister of about 10 portfolios—who knows what the date was.

Mr D.J. KELLY: Under the last government, one of the problems when it came to the water portfolio was it had what I like to refer to as the rinse cycle. Every two years it put another minister through the ringer. Graham Jacobs, the member for Eyre—I think he was the Minister for Water. Then the member for Nedlands was the Minister for Water. His spin cycle was about two years. It then moved on to Hon Terry Redman, the member for Warren–Blackwood, and then the current leader of the Nationals WA. It had absolutely no regard for the water portfolio, which was something that was passed around from minister to minister. As a result —

Mr W.R. Marmion: It ran well.

Mr D.J. KELLY: Yes. The member for Nedlands said, “It ran well.” Presumably it ran well because the last government never let a minister really get their hands into it.

Mr D.R. Michael: They had seven Treasurers too, didn’t they?

Mr D.J. KELLY: It was commonplace. I think if we count Colin Barnett as two Treasurers, that is seven Treasurers, which is pretty good. On that basis there was relative stability in the water portfolio. But on the member for Nedlands’ side of the house, it had iron ore prices at \$US130 or \$US140 a tonne. Year on year —

Mr W.R. Marmion: Briefly.

Mr D.J. KELLY: No! Listen to me, member for Nedlands. Year on year, the previous government increased the price of water by more than the rate of inflation. The member for Cottesloe goes on about “Well, what’s the rate of inflation? You’ve increased water in this year’s budget by an outrageous 2.5 per cent!” It is the lowest increase since 2005 and 2006 and his complaint is it is higher than rate of inflation. What an absolute joke!

[Member’s time extended.]

Mr D.J. KELLY: One of the key complaints that member has made is that these water charges are causing enormous household difficulties. I acknowledge that every increase in cost has an impact; I do not shirk away from that. What we have done under this government in the water portfolio is we have really tried to work hard with customers who are in financial difficulty in order to enable them to more easily pay their bills. When we came into government and I became the minister, the Water Corporation was restricting the flow of over 2 000 Western Australian households every year because of non-payment issues. Member for Cottesloe, 2 000 families were having their water reduced to a trickle because they could not pay their bills. It worked out that it was over 200 families a month, 50 a week, affecting nine or 10 families a day—that was what was happening under the previous government.

Dr D.J. Honey: How many people are being threatened by debt collectors now?

Mr D.J. KELLY: Member for Cottesloe, one of the first things I said to the Water Corporation after I became minister was, “I want you to review the way you deal with families that are in hardship. Don’t just cut their water off. I want you to talk to those customers, find out what their issues are and see if you can get an assistance package to clear their debts.”

Dr D.J. Honey: They are threatening them with debt collectors. That is what they are doing.

Mr D.J. KELLY: Does the member for Cottesloe know the result of the Water Corporation talking to its customers? We have cut the number of households that have their water restricted for non-payment of water issues by 75 per cent. It went from 200 a month on average to about 50 a month. It is not because we are threatening them with debt collectors; it is because we are moving people onto payment plans. We are finding out what their issues are. I will let the member read a letter I received. The Financial Counselling Network wrote me a letter the other day congratulating us for the work that we are doing. The previous government cut its funding and we re-established its funding. It is so happy with the way that the Water Corporation now treats customers in hardship that it wrote to the government and commended the Water Corporation for the work that it has done.

When I visited the Water Corporation a few months back, I talked to some of the customer service officers who talk to customers in hardship. One of those staff said that the most rewarding thing he has done in his time at the Water Corporation is talk to customers, find out what their issues are and find a way forward for them. Not only has the Water Corporation cut the number of people whose water has been restricted for non-payment issues and not only has it been a positive thing for the staff involved, but also it has begun some interesting new programs.

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

I have the letter from the Financial Counselling Network, dated 27 March 2019, signed by the deputy CEO of UnitingCare West and the director of services at Anglicare. It has the logos of all the other agencies that are part of that network. The letter compliments the work of the Water Corporation. After talking to customers, it has devised some new programs. One of them that I think is really innovative is Medical Assist. When the Water Corporation's officers started talking directly to customers who were in hardship, they found that customers who were having kidney dialysis at home were experiencing financial hardship with their water bills. Although having dialysis at home is more convenient and pleasurable, if that is the right word, for the customer, it means they get an enormous water bill. The Water Corporation put forward a proposal to me—it was not my idea—saying that we should give a special allowance to customers on home dialysis. There are just over 100 home dialysis patients in WA. It is a limited number. Under Medical Assist, they now get up to 30 000 litres of free water for every two-month billing period.

Dr D.J. Honey: They always had assistance. They had the same assistance from the hospitals.

Mr D.J. KELLY: The member for Cottesloe says it has always been the case. The member for Cottesloe would not know what he is talking about. I am sure that the member will come back in a few days' time and retract that.

Dr D.J. Honey interjected.

The ACTING SPEAKER: Member for Cottesloe.

Mr D.J. KELLY: As a result of that program, anyone on home dialysis gets a free water allowance —

Dr D.J. Honey interjected.

The ACTING SPEAKER: Member for Cottesloe, you are on two.

Mr D.J. KELLY: That water cost is picked up by the collective finances of the Water Corporation. It is a small amount of money but a big benefit to those people on home dialysis. They can have home dialysis without the fear that it will push them over the edge.

Mrs R.M.J. Clarke: It's a great initiative.

Mr D.J. KELLY: It is absolutely fantastic. When we announced it, I met a woman on home dialysis. She said it would be absolutely fantastic. Start Over is another program that we developed. That is for people who have had longstanding difficulty clearing their debts. Under this program, the Water Corporation will match a customer's payments over a two-year period and then clear any outstanding debt, giving them a free start. That is for people who can demonstrate a history of paying back their debts over a period of two years. Their debts are then wiped and they get a fresh start. Quite often, people accumulate a debt, sometimes because of a leak. Even with the leak allowance that is available, they have no way of paying back that debt and it hangs over them. It can be quite stressful for people. This program is designed to give people an opportunity to start over.

There is another program called Time Assist. In general, it means that if there is a sudden drop in income in the family, because of an accident or loss of job, people can have those bills put on hold for up to three months. When they get over that temporary problem in the household, they can get on with making their payments.

We are trying to tackle this issue by being proactive with customers who experience financial hardship. This is something that the former government never did. I used to ask question after question, especially to the current Leader of the Nationals WA, about the number of people who had their water turned off because they could not pay their bills. We got nothing but "talk to the hand". Nothing was done by the previous government. We have a financial counselling service in my electorate. It told me about the humiliation felt by householders when the water gets turned off to a trickle. They can have a glass of water but they cannot have a shower or wash their clothes. Kids go to school without their clothes being washed and all those things. It is a really big deal to turn someone's water off to a trickle. Under the previous government, 2 000 households were in that situation every year—that is, 200 people a month, or 50 people a week, nine or 10 a day. It is not as if we did not raise it. We raised it with the Minister for Water, the current Leader of the Nationals WA. Absolutely nothing was done.

When we came to government, we said to the Water Corporation, "You do a great job." The Water Corporation does an absolutely fabulous job from Esperance to Kununurra delivering water. We are one of the few places in the world where people can turn the tap on and drink the water. Areas of WA are being impacted upon, especially in the south west of WA, where the impact of climate change is more severe than almost anywhere else on the planet. The Water Corporation has been an absolutely fantastic organisation to help us deal with that. It does a magnificent job in so many areas. When the previous government put up the price of water, year on year, greater than the rate of inflation—sometimes double digits—that had an impact on households. The number of households that were getting their water switched off for non-payment was going up and up. I watched the figures, and by the end of the term of the previous government, 2 000 households a year were having that happen. Despite us raising it, the previous government did nothing. All it took was a government to require the Water Corporation to apply some focus to this. We have now cut back that rate, I am told, by about 75 per cent. The average is now about 50 a month. In my view, that is still too high, and we will keep working on it, but that is the difference between

Dr Mike Nahan; Mr Paul Papalia; Acting Speaker; Dr Tony Buti; Ms Libby Mettam; Mrs Alyssa Hayden; Mr Dave Kelly; Mr Bill Marmion

this side of politics and the other side. We actually care about these issues. The opposition is only raising these issues because it has nothing else to talk about.

MR W.R. MARMION (Nedlands) [6.51 pm]: In the remaining 11 minutes I would like to concentrate solely on the election result.

Mr D.J. Kelly: How was it out in Curtin?

Mr W.R. MARMION: We went very well in Curtin, actually, but I will not be taking any interjections, because there is not much time to go, and I will not be talking about water. An interesting article was written by Nathan Hondros after the resounding result in the federal election, which I enjoyed so much in Curtin. I enjoyed the glass of red wine I had with the new member for Curtin, and going home and watching the ABC commentary that night. In fairness, the ABC has the best algorithm for working out how the seats are running, but I enjoyed listening to some of the commentary, particularly Penny Wong. I think there were a few disappointed people in the studio. Nathan Hondros wrote a very good article, titled, “Like wow, wipeout”. Is there not a song that starts like that? The member for Cottesloe might know.

The ACTING SPEAKER (Ms M.M. Quirk): Hoodoo Gurus, member.

Mr W.R. MARMION: That is the one—Hoodoo Gurus. I cannot sing it; I just remember it.

The ACTING SPEAKER: Excellent.

Mr W.R. MARMION: That is lucky, is it not? The article was headed “Like wow, ‘wipeout’: WA federal results would undo McGowan’s landslide.” In the 2017 landslide election that Labor won, it collected 55.5 per cent on the two-party vote, and that was a resounding win for Labor. The interesting thing is that if we overlay the results of the federal election, going through all the booths, and add up firstly the two-party preferred swing, in Western Australia it works out at 55.8 per cent to the Liberals and Nationals. That is an incredible result that surprised a few of us. I am not privy to polls in my position as the member for Nedlands, and I was certainly not anticipating a federal Liberal win, but I must say I was quite delighted with the result. Nathan Hondros has overlaid the results of all the booths in the state seats. That is not necessarily a predictor of what could happen in a year and half’s time, but it does say how people actually voted. It is like a key performance indicator of how people voted in the federal election. Picking up the seven obvious seats in which the Labor Party already has a fairly low margin as at the 2017 state election—Jandakot at one per cent; Kingsley at 0.7 per cent; Joondalup at 0.6 per cent, Pilbara at 2.3 per cent; Kalamunda at 2.5 per cent, Burns Beach at 2.5 per cent; and Murray–Wellington at 1.4 per cent—if we overlay the result of the federal election on those seats, we would pick those seven seats up extremely comfortably. In fact we would pick up Murray–Wellington, which would go from 1.4 per cent for Labor to 14.5 per cent, which is huge. That is probably a bit of an outlier, but that is one in which the Labor Party would need to do a lot of work to hang onto at the next election. I would write that one down, member for Cottesloe.

Dr D.J. Honey: Pencil it in.

Mr W.R. MARMION: Yes, I would pencil it in already. The other ones that we could probably pencil in are Burns Beach, Kalamunda, Pilbara—the Nats could probably pencil that in—Joondalup, Kingsley and Jandakot. They are the seven seats that we could easily pick up. If we overlay that with the federal election results, there are another seven seats that we could pick up easily. I was a bit surprised with the swing in Balcatta. I thought that because of the good local member, the swing might not be as big as that.

Dr D.J. Honey: There is a very knowledgeable Italian community there, so we would probably have a good chance.

Mr W.R. MARMION: That was one that surprised me. The other seats that look as though they would be vulnerable and a pick-up for us are Balcatta, Wanneroo, Morley—there might be something wrong with those figures; that would be a hard one to pick up—Midland, Albany and Bunbury. Albany was a big surprise. The good local member for Albany, who is normally sitting in the chair, is currently on a 5.1 per cent margin. If we overlay that with the federal results, Albany will swing 12.4 per cent to the Liberals. That is a massive swing. The Labor Party might need to keep the current member going for another four years to hang onto that seat. The other quite massive swing is Collie–Preston. That places a bit of pressure on the current member for Collie–Preston.

Dr D.J. Honey: There are shades of Queensland there.

Mr W.R. MARMION: Yes. The member for Collie–Preston is a very good and strong local member. He has been there for many years. I cannot remember who was the member for that seat before him; that is how long he has been there. The member for Collie–Preston is sitting on a margin of 14.7 per cent. That is a huge margin. If we overlay that with the results of the federal election, it will swing massively to the Liberals at 9.3 per cent two-party preferred. That is an unbelievable swing. It is hard to imagine. If we were to get even half of that, it would be our seat. The only way in which the Labor Party could manage to hang onto that seat is by retaining the current member for Collie–Preston. I think that would be its best chance.

Dr D.J. Honey: Too much information!.

Mr W.R. MARMION: I should not tell them that strategy, member for Cottesloe!

It will necessarily happen in that way. Nathan Hondros suggested that 20 Labor seats could go. Even if only half those seats were to go, there is a danger that the current Labor government will be a one-term government. Only six members from the other side are in the chamber. They must really be worried. It is not necessarily a lay-down *misère* that the Labor Party will win the next state election. I have played solo, so I know what a lay-down *misère* is. This is a big wake-up call for the Labor Party. Why is that so? Why was there such a massive swing in Western Australia between the time of the state election just over two years ago and the federal election? I will mention a number of factors in the remaining three or four minutes that I have to speak on this topic.

One thing that has been highlighted by members on this side is obviously the unpopularity of the then federal Leader of the Opposition.

Mr D.R. Michael: Do you remember who won the 2001 state election?

Mr W.R. MARMION: I think the Labor Party won that.

Mr D.R. Michael: Do you remember who won the 2001 federal election?

Mr W.R. MARMION: It was the coalition. I am not going on the past. I am going on the current figures. That is the data. The Labor Party obviously thought that the then federal Leader of the Opposition was not a marketable commodity, so it decided to use the Premier of Western Australia as the marketing force for its election campaign in Western Australia. Was it successful? I look around at the massive number of people in the chamber. How successful does the member for Cottesloe think it was?

Dr D.J. Honey: It was so successful that it swung the vote our way by seven per cent across the campaign.

Mr W.R. MARMION: Seven per cent! One would have to say that it was not very successful. That is one factor why that was unsuccessful. People do not just vote for a person; there have to be policies and factors around them.

The cost of living in Western Australia has also been highlighted by people on this side of the chamber. There has been no increase in wages. Water and power prices have been put up by the Labor government in Western Australia. Housing prices are stagnant and people do not have security in their house because their mortgage is more than the value of their house. People are being extremely cautious and are not spending. Because there is no spending in the economy, small retail businesses have been suffering. All these factors mean that people are a bit uncertain about their future.

Debate adjourned, pursuant to standing orders.