

ORD–EAST KIMBERLEY EXPANSION PROJECT

Standing Orders Suspension — Motion

MR B.S. WYATT (Victoria Park) [2.51 pm] — without notice: I move —

That so much of standing orders be suspended to allow the following motion to be moved forthwith —

That the house condemns the Liberal–National government for its failure to adequately plan, assess and deliver on the Ord–East Kimberley development project.

I will not waste the time of the house. I think the Leader of the House has already said that he will agree.

Standing Orders Suspension — Amendment to Motion

MR J.H.D. DAY (Kalamunda — Leader of the House) [2.52 pm]: We will agree with the motion subject to the following amendment. I move —

To insert after “forthwith” —

, subject to the debate being limited to 20 minutes for government members and 20 minutes for non-government members and five minutes for Independent members.

Amendment put and passed.

Standing Orders Suspension — Motion, as Amended

The SPEAKER: Members, as this is a motion without notice to suspend standing orders, it will need the support of an absolute majority for it to proceed. If I hear a dissentient voice, I will be required to divide the Assembly.

Question put and passed with an absolute majority.

Motion

MR B.S. WYATT (Victoria Park) [2.53 pm]: I move the motion. The response of the Minister for Housing, the Leader of the National Party, explained exactly why we are here—the inevitability of this report from the Auditor General. He has always seen his role as something of a joke. When questioned, he laughs, mocks and never addresses the questions asked. He has always thought of himself as above any propriety: “I have a pot of money; I’ll spend it as I see fit.” That is the reality of the National Party, and the problem is that the grown-ups in this scenario, the so-called Liberal Party, should have been keeping charge of this guy. It should have been keeping an eye on what he is doing, particularly during the first term in government, when he treated billions of dollars as his own money. That is why there is a sense of inevitability about this report from the Auditor General. We know that, and the Leader of the National Party can laugh and cackle and carry on as much as he likes.

In the ordinary course of politics, this report would see a minister lose his job. It would absolutely see a minister lose his job, but in question time, when the Leader of the Opposition asked a question about this report, the Premier said—I wrote it down because I was stunned—“We do not dwell on that sort of stuff.” That was when the Minister for State Development said that he had not read that report yet; he may get around to having a look at it. This may be one of the more extraordinary Auditor General reports we have seen delivered in the term of this government. This two-year \$415 million project has become a seven-year \$529 million project. We get laughter from the Leader of the National Party; we get mocking from the Premier; and we get “I haven’t read the report” from the Minister for State Development.

“No planning”, “no business case”, “no supporting evidence”, “no comprehensive costings”, “bad governance”, “no measurements” and “no agency in charge” are all lifted directly from this report, yet we hear the Premier saying that the government does not dwell on that sort of stuff. We have Brendon Grylls, the Leader of the National Party, mocking the whole idea that the Auditor General’s report should even be raised in this Parliament. Is there any wonder that the state’s finances are so bad after a performance like this? It is the responsibility of the Liberal Party, when it is in government with these clowns, to hold them to account for the way they spend money. The government effectively gave them billions of dollars to spend as they saw fit. I assure members that this is just going to be the first of many reports, whether by the Auditor General or some other body. We will continue to examine spending by the National Party, particularly that of the member for Pilbara, because none of us, let us be frank, is surprised that he has been out there promoting Ponzi schemes of late using royalties for regions money. I think we all know that there was a certain sense of inevitability from the National Party, and the member for Pilbara in particular.

Mr B.J. Grylls: Did you say this was a Ponzi scheme?

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

Mr B.S. WYATT: No. I said that no-one is surprised that the member for Pilbara has been promoting Ponzi schemes. No-one in the Liberal Party has been surprised in the slightest, let me assure the member of that, and certainly the media saw that this was inevitable through the way the member treated public money over a long period.

I want to go through a couple of points. I could simply spend 20 minutes reading in this report, because it is awkward reading for the government.

Several members interjected.

Mr B.S. WYATT: Members opposite can get up and speak in a minute.

The SPEAKER: Thanks, member; through the Chair.

Mr B.S. WYATT: I would be interested in hearing what some of these leader aspirants have to say about the finances, bearing in mind that they have not said much to date.

I want to talk about the socioeconomic side of the Ord project, because ultimately this has always been the main argument that the government has used to justify this spend. As I said, a two-year \$415 million project became a seven-year \$529 million project. I want to read into *Hansard* a couple of points identified by the Auditor General. Back in 2007, the Treasurer said that there was no sole economic case that would justify this spend. The only way we could justify this spend is if there is a socioeconomic outcome. That is the way the government justifies this. I read into *Hansard* —

DRD and DSD —

Your department, minister who has not read the report —

have not measured whether the \$529 million invested in the OEKD Plan has improved socio-economic indicators in the region. These include the main objective of the Plan to develop a sustainable and stronger economy and improve the socio-economic outcomes for Aboriginal people in the East Kimberley.

...

The justification for the OEKD Plan relied heavily on addressing socio-economic disadvantage. Therefore, monitoring relevant indicators was essential to properly understanding achievement of outcomes. A comprehensive baseline of social indicators was completed in 2008, but there is no plan to reassess these indicators to identify any improvement.

However, the Premier says that the government does not dwell on these issues and the Leader of the National Party mocks the suggestion that we should even raise this issue in the Parliament of Western Australia. I refer to page 18 of the report.

Mr C.J. Barnett interjected.

Mr B.S. WYATT: The Premier can laugh all he likes; this is not good reading for the government. Page 18 of the Auditor General's report refers to phase 2, and I quote —

Phase 2 was a more technically challenging exercise, with much greater inherent risk and variability, and required more detailed planning. It had to deliver roads, irrigation and drainage for up to 21 farm lots of varying sizes ...

No detailed planning for Phase 2 occurred prior to the project commencing.

The Auditor General's report goes on to set out some examples, and continues —

A 2010 project budget set Phase 1 at \$61.5 million and Phase 2 at \$114 million. We expected to find comprehensive supporting evidence for these estimates. Instead, we found little to support them.

...

The lack of planning meant that Government lacked a good understanding of the work required and a capacity to provide sufficiently explicit project specifications. This failure ultimately led to the increase in the cost of the project.

The Premier does not dwell on these things and the Leader of the National Party laughs at these things.

A government member: No—not laughing.

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

Mr B.S. WYATT: I am not sure who said that—somebody said it.

The SPEAKER: Through the Chair, member.

Mr B.S. WYATT: The government does not dwell on these things. The Minister for State Development did not even read, and is barely aware of, the report. One of the more useful or instructive examples states —

Further, when the project began in 2010, the budget significantly underestimated or missed out some of the costs. For instance, it allocated only \$200,000 for environmental activity.

Those costs reached \$8.1 million. The Auditor General has highlighted that at every turn the government did not plan. It started the project before it had any idea what the project was. Then when it started the project without an understanding of where it was going, it failed in its governance. Perhaps the key role all ministers and the cabinet should have played was in the governance of that spend of half a billion dollars. I want to read into the record another quote that points out that nobody was in charge of this project, despite media statement after media statement that outlined the changing parameters of the project, a grand sugar mill initially, and the major upgrades of Wyndham port, which rapidly changed over a short period of time. Some comments around governance state —

A large-scale economic development program needs strong and consistent governance structure ... and well-informed decision-making. Although the project has a defined governance structure, it has not delivered the oversight we expected.

The report then refers to the steering committee. The graph on page 22 shows that the Ord–East Kimberley Development Plan Steering Committee was the key advisory body to the ministerial body in charge of this project. The Auditor General stated this about the steering committee —

During the main irrigation construction, the Steering Committee did not receive detailed or consistent updates on financial or contract performance. Nor did it require detailed budgets, even after the approval of the additional \$91 million. The Steering Committee appears to have functioned more as an information-sharing body than decision-maker. There was poor definition of responsibilities for this group, and poor records of decisions. Although there are comprehensive minutes of meetings, it is not clear when or who approved some significant changes such as changing the farm lot layout and key infrastructure design changes.

Finally, I quote some findings around the steering committee —

We expected that DRD as the project coordinator of the \$334 million irrigation expansion project would have clear and robust financial management, with routine and detailed reporting. This was not the case.

...

It could —

That is the committee —

also not provide a clear breakdown of project expenditure to budget, which could be reported routinely, and in a timely way to the Steering Committee. Further, financial commitments were managed manually in spreadsheets —

Like a bunch of monkeys on a Commodore —

which is both time consuming and increases the risk of error.

It is clear that nobody has taken responsibility for the effective delivery of the project because nobody knew what the effective delivery of the project was going to be. There was no planning or business case, financial commitments were not being managed, and there was no routine or detailed reporting; yet, the Premier says that we should not dwell on these things and the Leader of the National Party mocks the questions he is asked, as he has done over the course of years, on anything to do with the Ord.

What annoys me the most about these projects are the departmental responses. The Department of Regional Development's response was effectively a cut-and-paste from the website. That is all it was. It did not even try to address the four recommendations the Auditor General outlined. The Department of State Development at least tried to answer them. LandCorp did a similar cut-and-paste job from the website. The minister seems to think that outcome is okay—\$500 million. The Auditor General identified social outcomes as the key driver and justification. That agitates me because I know that the Leader of the National Party, and maybe even the Premier if he gets to his feet, will talk about outcomes for the local Aboriginal community. That is what they will do.

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

Mr C.J. Barnett: Why not?

Mr B.S. WYATT: I know the Premier will look to the Aboriginal community to wear responsibility for this project, like he did to justify his comments on the closure of remote communities. The Premier went out and said, “Look how much Roebourne is costing us.” He gave that to *The West Australian* and it was stuck on the front page: “Look how much Roebourne is costing us. It is an outrage what all these things we give to Aboriginal people, the normal services of government, are costing us.” The government then went out and spent half a billion dollars, with no planning, no governance, no financial parameters and no set outcomes around social outcomes. It does not have the slightest idea whether it has been able to deliver any of those social outcomes. That is what the Auditor General has found and that is what most condemns this government. It is not the Leader of the National Party who wanders around with his pot of money, throwing it here, there and everywhere that condemns this government. I know this government will look to the Aboriginal community to wear responsibility for this failure, like we saw in *The Australian* just this week: “\$6bn a year fails to help Aborigines”. Aboriginal people will wear the responsibility, and not the failure of the government to deliver that project. That is what you have failed to do. You failed, minister.

Several members interjected.

The SPEAKER: We are getting the wall of noise.

Mr B.S. WYATT: The Leader of the National Party has failed and the Premier has failed to keep an eye on him. He is the Premier’s responsibility. The Premier has been treating the Leader of the National Party as some sort of university student having fun before going on sabbatical. The Premier has failed to keep an eye on him and has failed to ensure that the money was being spent appropriately. That is what the Auditor General found; I did not find that.

When we had someone running the National Party with a bit of nous and who showed an interest in how things are delivered, they got rid of him and replaced him with the car salesman again—the guy with the Ponzi scheme. For heaven’s sake, the Premier needs to take responsibility. I want to hear the Premier explain why he failed in the first instance. I remind him, because he left the chamber—these quotes are lifted directly from the Auditor General’s report—there was no planning, no business case, no supporting evidence, no comprehensive costings, bad governance, no measurements and no agency in charge. A two-year, \$415 million project became a seven-year, \$529 million project. The Auditor General pointed out that not one government minister had the slightest idea whether it delivered on the social outcomes it used to justify this investment. That is the reality. The government deserves condemnation, because in the first flush of victory in 2008 it allowed the National Party to spend money without any parameters, without justification and without planning. The Auditor General, in perhaps one of the strongest reports we have seen in a long time in this place, has highlighted that comprehensive failure.

MR C.J. BARNETT (Cottesloe — Premier) [3.08 pm]: What an extraordinary outburst! I want to make a few very brief comments. When Ord stage 1 was opened in 1972, the then Prime Minister and then Premier commented that the next stage would follow shortly. It took a long, long time—decades—before that happened. During the 1990s, I, as the then Minister for Resources Development, and the then Minister for Agriculture, Monty House, worked together to resurrect the Ord stage 2 concept. A lot of work was done on soil types, planning and design of the irrigation scheme and there were many discussions with the Northern Territory and the commonwealth. I spent a lot of my time in discussions with Aboriginal people of the East Kimberley. I had endless meetings. It was an enjoyable experience. We did not get it all, but an enormous amount of work was done on the Ord stage 2 project.

The Labor Party then came into government. Although not a lot happened, I give credit to Eric Ripper who reached an agreement with the Aboriginal people to continue that work. That was a good achievement. When this state government was elected in 2008, Kevin Rudd was Prime Minister. When he developed the Infrastructure Australia program, he came to Western Australia and spent time with me. We went and looked at the Ord River. We landed on the dam wall in a helicopter—a bit indulgent. When he saw that expanse of water, he, like so many other people, just fell in love, I guess, with the concept of developing the irrigation scheme and the Ord River project. But there was a difference. My advocacy was for the irrigation project and realising the long-term dream of developing the north with the irrigation scheme and all it could offer this state and this country. Prime Minister Kevin Rudd agreed, but he came back with a concept, and I give him great credit for this. He said, “The great economic development of the Ord River speaks for itself, but for the commonwealth to support it, we want to see social development go with economic development.” For the first time in Australian history, with the most outstanding project in the development of the north of Australia, there has been major investment of hundreds of millions of dollars in the irrigation infrastructure and the roads and the bridges and hundreds of millions of dollars in housing, health care, education, welfare and training for Aboriginal people.

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That was world leading, and certainly leading for this country. Minister Grylls and Minister Redman took on the responsibility on the ground. It is outstanding.

Several members interjected.

Mr C.J. BARNETT: The member for Victoria Park got up in this Parliament and said repeatedly that we are blaming the Aboriginal people. Who has ever said that? It was a crass accusation!

Several members interjected.

The SPEAKER: Member for Midland! Member for Victoria Park!

Mr C.J. BARNETT: The problems of lots of people, but in particular Aboriginal people in remote parts of the state, are well documented. This was an attempt to bring Aboriginal people along with the Ord, through training, jobs, land entitlements, housing and all the rest of it. I have no doubt that the member for Kimberley would applaud that. She would applaud the fact that Aboriginal people were included from the start.

Several members interjected.

Mr C.J. BARNETT: I would think any member for Kimberley would support it.

The SPEAKER: Sit down, please. Member for Victoria Park, you were given a pretty good go. Member for West Swan!

Mr C.J. BARNETT: Now, this historic, great Australian project —

Several members interjected.

Mr C.J. BARNETT: Members opposite can laugh at it if they wish to, but we will not. We are proud of it.

Mr J.R. Quigley interjected.

The SPEAKER: Member for Butler, I call you to order for the first time.

Mr C.J. BARNETT: Who would have thought, even a decade ago, that the farmland development of the Ord River would be undertaken by a private Chinese company, Shanghai Zhongfu? Who would have ever thought in Australian history that that could happen? They are the sorts of milestones and breakthroughs that the Ord development makes in northern development, irrigation farming, looking after the welfare particularly of Aboriginal people, and building bonds with our great Australian trading partner of today, China. It is a historic, great project. If all the sums, the cost benefits and the like are done, will the project stack up 100 per cent on economic grounds? No, it will not. It was never going to do that, but it will help the Aboriginal people of the Kimberley. That is what it will do. The member for Kimberley can shake her head, but she should be behind this project and supporting her people in the Kimberley.

Mr P.B. Watson interjected.

The SPEAKER: Member for Albany! The question is that the motion be agreed to.

Several members interjected.

The SPEAKER: Member for West Swan! Member for Victoria Park! Member for Albany, you are going to be having a rest.

Mr P.B. Watson interjected.

The SPEAKER: I am not interested! Are there further speakers?

MR W.J. JOHNSTON (Cannington) [3.13 pm]: It is interesting that the Premier did exactly what was expected—blamed the Aboriginal people. Let me make a point.

Several members interjected.

The SPEAKER: The wall of noise!

Mr W.J. JOHNSTON: He justifies a waste of half a billion dollars on the basis that it would help Aboriginal people. Eleven Aboriginal people got jobs out of this project. What is wrong with the Liberal Party that it does not like the idea of cost benefit? Was this the best way to help the Aboriginal people in the Kimberley? The clear answer from the Auditor General is no. Not only that, the clear answer from the Auditor General is that the government does not even know what happened to the social benefit up there. It is not as though this is some new idea. I remind the Assembly that in 1967, the member for Katanning, who was the Deputy Premier at the time, said —

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

I am sure the completion of the Ord River scheme will make a valuable contribution to the growing of cotton, sorghum, beef, and the many other products which will result from the great development which is taking place in the northern part of Western Australia.

Fifty years ago, the exact same words came out of the then Deputy Premier as have just come out of this Premier—50 years later, and he is still saying the future is going to be bright. What was said in this chamber by the late Colin Jamieson on 23 November 1978? He said —

... unless we can find a good base crop that earns money each year so that we do get money back, we will be putting more and more money down the irrigation drains of the Ord River.

It is not as though this is a new thing. That was 40 years ago. Today, the Auditor General said that not only did the Liberal Party and the National Party bugger up the implementation of this project —

The SPEAKER: Just hold it a minute. Member for Cannington, I would not use language like that in this place.

Mr W.J. JOHNSTON: The Auditor General said that not only was the management of this project by the Liberal Party and the National Party negligent, but also they did not even know what they were trying to achieve, and they did not achieve it anyway. They cannot claim benefits for Aboriginal people because they never measured anything. They never said who was going to get a job. What are the benefits? They do not know. Indeed, we know that there has been an outcome in the Kimberley—more and more Aboriginal deaths through suicide every day. That is what we know has happened. Half a billion dollars has been spent so that people do not grow any crops. There are no crops growing on this land—none.

Mr B.J. Grylls: Who's lying? They're harvesting chia at the moment.

Mr W.J. JOHNSTON: For crying out loud!

The SPEAKER: Member for Pilbara, I call you now to order for the second time.

Mr W.J. JOHNSTON: One hundred thousand tonnes of rice was promised by the minister.

Mr B.J. Grylls: It was grown in Ord stage 1.

Mr W.J. JOHNSTON: I would love to see the 100 000 tonnes of rice. We were all in here when he threw the bags around like a joker and a clown. We all remember that. Half a billion dollars has been spent and the Auditor General has found that they did not know what they were trying to achieve and they did not achieve it.

Today there are suicides by Aboriginal people in the East Kimberley. Why did we not spend some of that money on directly helping those communities? Why did we have to spend it on the white man's project instead of the black communities? Why did that happen? Why is it that we spent half a billion dollars on contractors —

Several members interjected.

The SPEAKER: Members!

Mr W.J. JOHNSTON: What is wrong with these people? What racists are there on that side?

The SPEAKER: Member for Cannington!

Several members interjected.

The SPEAKER: Members!

Mr W.J. JOHNSTON: They spent half a billion dollars on contractors and nothing on Aboriginal people. Let us not forget that the commonwealth's contribution never went over budget, because it had a plan to implement it, and when it wanted to make a change, it went and reviewed it and the budget did not go over. They were incompetent and this is the result. Aboriginal people are dying through suicide in the East Kimberley today and we have spent nothing on that effectively. We spent half a billion dollars on a tiny farm that is never going to make a contribution to the food bowl of Asia. We spent half a billion dollars on 8 000 hectares of land. How many million hectares are there in the wheatbelt? Eight thousand hectares of farmland cost half a billion dollars, and there is no money to help the member for Kimberley.

MR D.T. REDMAN (Warren–Blackwood — Minister for Regional Development) [3.20 pm]: I am looking forward to making a contribution to this debate. From the outset, I welcome the report—I always do. It is very important that the Auditor General has a process to assess the government's challenge of spending public funds on a range of projects. Page 10 of the report contains four recommendations, and we will put those four recommendations in place. There is no doubt that we will respond to this; it is very important that we do.

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

As the Premier said, this project has languished for probably over 40 years. The alternative to what we did was to go up and see what we saw in 2008—nothing. That was the alternative; that was the other option. We have either what we have now or the alternative, which is what we saw in 2008, of nothing happening. When the Labor Party was in government, it had more than enough chances, with its budget positions and the flow of revenue into the state, to get a development such as that underway, albeit on social and economic grounds. However, it chose not to. Business cases were put before it, but it actually chose not to do it. Since 2008 we have implemented Ord stage 2, which has seen a significant shift from something that has been languishing for more than 40 years. The WA government invested more than \$300 million, with the federal government investing nearly \$200 million. For that amount of just over \$300 million, we have 41 kilometres of roads, 86 kilometres of drains and 40 kilometres of channel, which is four-fifths of the way between Mt Barker and Denmark and a channel that is somewhere between 10 and 14 metres wide at its base. That is the scale of the project. The volume of water in the channel is 1.9 million cubic litres. The volume of earthworks is 3.6 million cubic metres. It is a substantial project in a part of the state in which it is always difficult to get projects up and going. We have made a significant project, along with the commonwealth government in the social investment infrastructure that it has made.

On the back of that, we have been able to get, from what I can ascertain, about \$150 million of investment from Kimberley Agriculture Investments in not only the project development and expansion of the Goomig lands, but also lease development opportunities in Knox Plain, Mantinea and also with TFS Corporation in the Ord West Bank. It has also purchased Ivanhoe Station and a Carlton Hill pastoral lease, which has more than 10 000 hectares of freehold land. That investment has signalled huge opportunities for the East Kimberley purely because we have put in place what the opposition is describing as a failure. Yes, there are key performance indicators of progress. On the back of our own investments on the channel infrastructure and the like, key performance indicators were measured and assessed and signed off by MG Corp, government and Leighton. We have triggered a significant amount of investment.

One of my proudest moments was when I was in Shanghai, the economic epicentre of the world, with the head of Shanghai Zhongfu, Mr Wu; the chair of MG Corp, Des Hill; and the CEO of MG Corp, Neil Fong, when they signed the Aboriginal development package agreement for, from memory, Knox Plain. What a proud moment for an Aboriginal corporation from a remote part of Western Australia to have an agreement with an international company to make investments in their region in some of the most difficult investment areas that we will see, and that is in agriculture and in northern Australian development. That was a fantastic moment. Our investment has unlocked the opportunities that the Ord final agreement put in place. The Ord final agreement was signed off and done, but then nothing happened. Nothing happens unless you actually do it. It is a great agreement and, like other members and ministers, I pay tribute to Eric Ripper for what he did. But nothing happens unless we actually do something. We did it and we have delivered all of Ord stage 2.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park!

Mr D.T. REDMAN: Member for Victoria Park, I challenge you to stand in the middle of Kununurra with the member for Kimberley and the Leader of the Opposition and say that this was a stuff-up. I challenge you to stand in the middle of Kununurra and say that this was a stuff-up.

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park!

Mr B.S. Wyatt interjected.

The SPEAKER: Member for Victoria Park, I call you to order for the first time.

Mr P.B. Watson interjected.

The SPEAKER: Member for Albany, I call you to order for the third time.

Member for Victoria Park, you made your speech. You addressed the chamber and said certain things and people did not respond in the speech. It is now the minister's turn.

Mr D.T. REDMAN: Thanks, Mr Speaker.

I want to pick up on a point that the member for Cannington made. He said that a \$500 million investment was a stuff-up and was not the right investment.

The SPEAKER: Just excuse me. Can you also please watch your language in this place. Thank you.

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

Mr D.T. REDMAN: He made the point that \$500 million was appropriately invested and could have been better invested to address some of the social challenges in remote communities and the like. One of the things that came to light was shared services, which was probably an equivalent amount of money that, from what I can understand, has just gone off into the ether. What we are saying is yes, there are challenges in the robustness of KPIs and having all those measurement processes we have to have in place and, yes, we can improve their robustness.

Mr B.S. Wyatt interjected.

Mr D.T. REDMAN: There are, but they can be strengthened, absolutely. The greatest KPI is seeing what has happened up there and seeing the outcomes of a project that languished for 40 years. The member for Cannington made the point that the money should not have been spent on the Ord project and that it should have been spent addressing the symptoms of social ills, which is a huge challenge for the Aboriginal communities in some remote parts of Western Australia. We have made the point as a government—I am very proud of it—through the work we have been doing in remote Aboriginal communities with Hon Andrea Mitchell and, prior to her, Hon Helen Morton, in investing in the causal issues. There is no point investing in failure and investing in symptoms if we do not fundamentally change what is going on. This investment fundamentally changed what is going on in East Kimberley. There is no point in building transitional houses —

Point of Order

Mr B.S. WYATT: Perhaps the minister could point to where in the Auditor General's report it says that exact statement, because it simply does not.

The SPEAKER: Member for Victoria Park, if you make another spurious point of order, I will call you to order.

Debate Resumed

Mr D.T. REDMAN: One of the great successes of our government has been investing in transitional housing in Halls Creek, Kununurra, Broome and Derby, and now, as a part of the remote community work, there is some more investment. There is no point investing in transitional houses, which means you get a house if you get a job and send your kids to school, supported by the Aboriginal communities and supported by the Aboriginal leaders, if there is no jobs pathway and some sort of opportunity to progress through the economic opportunities that the Kimberley and Pilbara present. We have invested in unlocking the potential up there, which has triggered significant international investment. I am very proud of how this government has been able to deliver on that. Across northern Australia, it is the only iconic agricultural development that has occurred. I have not seen a similar one in Queensland and I certainly have not seen one in the Northern Territory. In fact, until recently, the Northern Territory was giving us a hard time over it, but everyone is looking at it. The federal government wants to attach itself to it. This is one of the great things to have happened in the Kimberley for more than four decades. We are very proud as a government of what we have done, and it is hitting the causal issues of many of those social ills. If we do not deal with that, in a couple of decades we will look back and say, "What the hell happened?" As I have said to the member for Victoria Park a number of times, I hope that the work that we have started is something that the Labor Party, when and if it comes into government, can carry on. That is the opposition's challenge. It does not happen in one cycle of government. This is a fantastic project. Yes, there are some governance issues that can be improved, but it is not absent.

I might add that when I had a briefing by the Auditor General yesterday, I asked him whether he was telling me that no economic and social outcomes had been achieved or whether they simply cannot be measured and therefore we do not know. It is the latter. He said that the challenge here is one of measurement, and I take that on board. I challenge anyone to go up there and say that we have not delivered an outstanding project for Western Australia and huge opportunities for the future of Aboriginal people.

MR B.J. GRYLLES (Pilbara — Leader of the National Party) [3.29 pm]: What empowered the Aboriginal leadership of the East Kimberley to be the first in the nation to adopt the healthy welfare card and to stand in the midst of their community and say, "We want to do this a different way"? What empowered the Miriuwung–Gajerrong leadership to do that? It was trust in government, because government had worked in that community since 2008 in a project started by the Labor Party under the Ord Final Agreement, which said that if the Aboriginal people give up the title to their land to allow the project to happen, they will receive certain benefits; if no project happens, no benefits will occur. The very act of signing the Ord Final Agreement made it incumbent on future governments to deliver the project—or we are asking the Aboriginal people to sign away their land for no benefit. The Labor Party did that. When the member for Victoria Park spoke, he pointed at us, saying, "You did that. Your government did that. Your government said that we will do the Ord Final Agreement and benefits can flow." The business case was then done and the Labor Party looked at it and said, "No, we're not

Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

doing it.” The Liberal–National government looked at the business case and said that it would honour the Ord Final Agreement. It said that it would deliver the benefits that flowed under the Ord Final Agreement. The \$500 million that the member for Cannington talked about delivered a new hospital and a new school.

Mr B.S. Wyatt: Paid for by the commonwealth.

Mr B.J. GRYLLS: Absolutely. The commonwealth is in the East Kimberley to partner with the state government on the Ord project. It did not just fly in and say let us fix all the infrastructure. The Western Australian Liberal–National government brought the commonwealth to town. The Premier and the Prime Minister signed historic agreements. They were in partnership to deliver that outcome, which resulted in a hospital, a school, the drying out centre just outside Wyndham, the boat ramp, transitional housing and \$195 million of social investment, matched by the government. Why did the project run over budget? A conscious decision was made by the committee, which the Auditor General said was not concentrating on the job. It was a really simple decision—we can drive this project through in two years by employing a bunch of fly in, fly out workers from Perth to build it. The Liberal–National government made the decision that this was about Indigenous employment. If we spread the construction over multiple years, 204 Aboriginal people would be employed. A total of 94 Aboriginal people chose to work external to the Ord project, not on the Ord project. A total of \$6.3 million was spent on Aboriginal-owned businesses; \$130 million was spent on 82 local businesses; there were 286 nationally accredited certifications; and \$12.4 million went to MG Corporation to deliver the financial package. The Ord Final Agreement that was negotiated and signed by the other side of the house was supposed to deliver to them. This is a landmark project.

The member for Cannington said that there are no crops in that area. I was in the paddock on Ord stage 2 on Friday morning watching Aboriginal people harvest chia. Kimberley Agricultural Investment told me that some of its best employees are those workers who got their first job on the project and now they are the company’s go-to men. The Labor Party would take that away from them. It would sign an Ord Final Agreement and then disappear, as it planned to do. The Liberal–National government did not disappear. What has flowed from that? Many Aboriginal people have gained first jobs. There is a new skill set in the East Kimberley. Transitional housing, a complete new model of doing housing, was pioneered in the East Kimberley under the Ord project and has now been rolled out in Derby, Halls Creek and Broome, and is pushing into the Pilbara under the remote reform project. We have seen the introduction of the healthy welfare card. Again, that community is empowering itself to change the outcomes for those families. What inspired the Mowanjum community to think they can have a go at agriculture? They looked over to the East Kimberley and said, “Agriculture is working; we will do some of that.” I say to the member for Cannington that that was the suicide capital. Now those people have hope and a future under this project. International investment is driving the agenda. I will tell members what I take as the KPI of that project. It is the front page of *The West Australian*, with a Chinese agriculture investor embracing the chairperson of MG Corporation, Edna O’Malley—empowering Aboriginal people to participate in the economic development of their community.

Mr S.K. L’Estrange interjected.

Withdrawal of Remark

Dr A.D. BUTI: The member for Churchlands—the minister—said an expletive, and he should withdraw it.

The SPEAKER: I never heard an expletive but if you said an expletive, please withdraw it.

Mr S.K. L’Estrange: I said “mind it” but I withdraw the “mind”.

The SPEAKER: Thank you. It is withdrawn. I call you to order for the first time.

Debate Resumed

Mr B.J. GRYLLS: The Aboriginal leadership of the East Kimberley walk proud in their community because of this project. Hang your head in shame!

Division

Question put and a division taken with the following result —

Ayes (19)

Ms L.L. Baker
Dr A.D. Buti
Mr R.H. Cook
Ms J. Farrer
Ms J.M. Freeman

Mr W.J. Johnston
Mr D.J. Kelly
Mr F.M. Logan
Mr M. McGowan
Ms S.F. McGurk

Mr M.P. Murray
Mr J.R. Quigley
Mrs M.H. Roberts
Ms R. Saffioti
Mr C.J. Tallentire

Mr P.C. Tinley
Mr P.B. Watson
Mr B.S. Wyatt
Mr D.A. Templeman (*Teller*)

Extract from *Hansard*
[ASSEMBLY — Wednesday, 7 September 2016]
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Mr Ben Wyatt; Mr John Day; Mr Colin Barnett; Mr Bill Johnston; Mr Terry Redman; Speaker; Mr Brendon Grylls; Dr Tony Buti

Noes (35)

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

Pairs

Ms M.M. Quirk	Mr T.K. Waldron
Mr P. Papalia	Mr J.M. Francis

Question thus negatived.