



Parliamentary Debates

(HANSARD)

FORTIETH PARLIAMENT
FIRST SESSION
2017

LEGISLATIVE ASSEMBLY

Wednesday, 22 November 2017

Legislative Assembly

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THE SPEAKER (Mr P.B. Watson) took the chair at 12.00 noon, and read prayers.

ROYALTIES FOR REGIONS — BOARDING AWAY FROM HOME ALLOWANCE

Petition

MR I.C. BLAYNEY (Geraldton) [12.01 pm]: I have a petition that has been certified as conforming with the standing orders of the Legislative Assembly. It has 363 signatures and reads as follows —

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say

That the State Government's decision to remove the Royalties for Regions contribution from the Boarding Away from Home Allowance will cause hardship to isolated families and may result in children not completing their education due to this financial hardship

Now we ask the Legislative Assembly

To reverse the Budget decision to remove the Royalties for Regions contribution to the Boarding Away From Home Allowance.

[See petition 31.]

Nonconforming Petition

Mr I.C. BLAYNEY: I also have a nonconforming petition containing 48 signatures.

COMMUNITY RESOURCE CENTRES

Petition

MR D.T. REDMAN (Warren–Blackwood) [12.02 pm]: I have a petition that has been certified as conforming with the standing orders of the Legislative Assembly. It contains 682 signatures and is couched in the following terms —

To the Honourable the Speaker and Members of the Legislative Assembly of the Parliament of Western Australia in Parliament assembled.

We, the undersigned, say that Community Resource Centres provide a vital service to regional communities, including access to government services, technology, professional services. They provide opportunity for employment and training and partner with community organisations to attract further funding to enhance the communities they are part of. These centres have evolved beyond simply providing access to technology and are considered by communities to be an essential service in regional WA.

Now we ask the Legislative Assembly of Western Australia to call on Premier Mark McGowan to ensure adequate funding to support the ongoing operation of all CRCs, without reducing their capacity to deliver services.

This petition is signed by petitioners from the areas of Bridgetown, Greenbushes, Boyup Brook, Dinninup, Denmark, Manjimup, Northcliffe, Augusta, Nannup and Walpole.

[See petition 32.]

PAPER TABLED

A paper was tabled and ordered to lie upon the table of the house.

FREMANTLE PRISON — 2017 PERTH AIRPORT WESTERN AUSTRALIAN TOURISM AWARDS

Statement by Minister for Heritage

MR D.A. TEMPLEMAN (Mandurah — Minister for Heritage) [12.04 pm]: I am pleased to advise the house of Fremantle Prison's success at the 2017 Perth Airport Western Australian Tourism Awards. The UNESCO World Heritage-listed Fremantle Prison was awarded the gold medal in the cultural tourism category, which recognises tourism operations that foster a greater understanding and appreciation of authentic culture, history, heritage and/or the arts. The prison came ahead of the belltower, home of the Swan bells, and the Museum of the Great Southern in Albany, both of which I am proud to say fall within my culture and arts portfolio. This is the third gold medal win in three consecutive years for the prison, meaning that it will be inducted into the WA Tourism Awards hall of fame

for the cultural tourism category in 2018. Fremantle Prison was also awarded a silver medal in the major tourist attractions category, which recognises natural or built tourist attractions that attract amongst the highest visitor numbers during the qualifying period for Western Australia. The prison was inducted into the hall of fame for this category in 2010. I also congratulate Whiteman Park on winning gold in this category, and Rottnest Island, which was awarded bronze.

Last, but certainly not least, I congratulate Fremantle Prison tour guide Janine Della Bosca, who won the Forum Advocating Cultural and Eco-Tourism Golden Guide Award. This category recognises the significant contribution that high-quality tour guides make in providing memorable visitor experiences through the interpretation of natural and cultural environments. Janine has been a Fremantle Prison tour guide since 2010 and leads a range of fascinating, educational and entertaining tours. In addition, Janine was involved in the development and exclusive delivery of the art tour and its companion publication *Art Behind Bars: Murals and Graffiti of Fremantle Prison*.

The McGowan government has elevated the importance of tourism as a means of diversifying the economy and creating local jobs across the state. We have committed \$45 million a year to promote Western Australia in key interstate and international markets as a high-quality and affordable destination. We have a diverse range of attractions for visitors. We know that for every 130 people who stay overnight in Western Australia, it represents a job for Western Australians. To encourage visitors to stay longer, we are working closely with the Minister for Tourism to ensure that along with our natural attractions, we also showcase our heritage, our Indigenous and multicultural communities and our thriving arts industry. Fremantle Prison is a perfect example of heritage and tourism working together to create an iconic attraction that delivers economic benefits to the state. I congratulate the prison on its success at the tourism awards and encourage all members to show their support by taking their families to the prison for a tour or to view one of its fantastic exhibitions over the Christmas holidays.

LEE HARVEY — DEPUTY PARLIAMENTARY COUNSEL — RETIREMENT

Statement by Attorney General

MR J.R. QUIGLEY (Butler — Attorney General) [12.07 pm]: I wish to acknowledge the significant contribution to the state of Western Australia by Ms Lee Harvey, who retires as Deputy Parliamentary Counsel in the Parliamentary Counsel's Office in early February next year. Her last working day is 15 December this year. Lee Harvey joins us this morning in the Speaker's gallery. Lee has made an outstanding contribution to the Western Australian statute book through the legislation she has drafted in the course of a public service career of more than 40 years. Lee joined the Western Australian public service in January 1977 as a professional assistant in what was then known as the Crown Law Office. Lee began working in the Parliamentary Counsel's Office in September 1982 as an assistant parliamentary counsel. Lee was promoted to Deputy Parliamentary Counsel in November 2004, and was the first woman to hold this position.

Lee has drafted many important and complex items of legislation, including the Corruption, Crime and Misconduct Act 2003, the Racing and Wagering Western Australia Act 2003, the Planning and Development Act 2005, the Biosecurity and Agriculture Management Act 2007, the Public Sector Reform Act 2010 and the Health Services Act 2016. That is to cite but a few of the important pieces of legislation that Lee has drafted during the course of her work with the Parliamentary Counsel's Office. The work of a legislative drafter also involves providing advice to ministers, members of Parliament and government agencies about legislative issues. Lee's vast knowledge of the WA statute book and her exceptional skills as a legislative drafter have also meant that her advice has been frequently sought and always highly valued. As Deputy Parliamentary Counsel, Lee has also made a huge contribution to the leadership and management of the Parliamentary Counsel's Office.

In the course of her drafting career, Lee raised three daughters and worked part time at various points. During one period of maternity leave, she managed to juggle the demands of motherhood with studying for a Master of Philosophy at the University of Western Australia.

On behalf of the government of Western Australia and I am sure on behalf of all honourable members, I thank Lee Harvey for her outstanding service to the state and wish her a long and happy retirement. But in saying that, I do hope that if and when the government and this Parliament might require her expertise, she can be enticed out of retirement to undertake some drafting work on a contract basis.

ROBERT "BONO" BONSON — TRIBUTE

Statement by Minister for Aboriginal Affairs

MR B.S. WYATT (Victoria Park — Minister for Aboriginal Affairs) [12.10 pm]: I rise this morning to acknowledge and pay tribute to Robert "Bono" Bonson, who passed away on 8 November 2017 at the age of 76 years. Bono was a man of true integrity. Born in Darwin, he quickly developed a strong sense of social justice. From an early age, Bono was vocal in his opposition to all forms of racism, and was soon known and admired as a renegade—someone who would always challenge the status quo.

Bono moved to Western Australia and after completing additional studies, he joined the Aboriginal Legal Service of Western Australia in 1986. Bono would dedicate over one-third of his life to the Aboriginal Legal Service assisting a wide range of Aboriginal families to manage the court and justice system. Bono's first tenure at ALSWA, from 1986 to 2001, included acting in the chief executive officer role from 1989 to 1990. His second tenure at ALSWA, from 2005 to 2015, was largely focused on representing and assisting families through the Children's Court.

Bono was passionate about diverting young Aboriginal people away from contact with the justice system. As he had done all his life, Bono regularly challenged the status quo and was a strong advocate for diversionary programs. As a respected and committed court officer, Bono liked to tell the human side of the story to help provide the court with a more comprehensive context to his cases. Bono was a strong and positive mentor, both for those he represented and for those aspiring officers working at ALSWA. Today many individuals and families are extremely grateful for the work Bono tirelessly undertook each day. It is clearly evident that he made a long, lasting and positive impact.

Bono retired in late 2015, aged 75 years, after almost 26 years of service at ALSWA. He was an honest and dedicated man, trusted by families, respected by magistrates and loved by all. My thoughts are with his family and friends at this difficult time. Mr Speaker, as a man who also worked at ALSWA as a court officer at the same time as my father, I know he will be missed by many.

Members: Hear, hear!

ELECTRICITY INFRASTRUCTURE — THUNDERSTORM DAMAGE — GOLDFIELDS

Statement by Minister for Energy

MR B.S. WYATT (Victoria Park — Minister for Energy) [12.12 pm]: On Saturday, 18 November, the goldfields was battered by severe thunderstorms. Large hail and winds in excess of 100 kilometres an hour caused extensive damage throughout the region. The storm uprooted large trees, many of which brought down powerlines and damaged key network infrastructure. Around 16 000 homes were left without power. Immediately following the storm, emergency response efforts were focused on critical infrastructure repairs. Western Power sent eight additional emergency crews and specialist teams to assist State Emergency Services and the City of Kalgoorlie–Boulder.

By Sunday morning, Kalgoorlie Health Campus and parts of the Kalgoorlie CBD had power restored, facilitating access to automatic teller machines and some petrol stations so residents could obtain fuel for their personal generators. Western Power also deployed four generators to facilitate power restoration to other key infrastructure. Two were connected to nursing homes, one was connected to a supermarket and the other to a school to enable exams to take place.

As at eight o'clock this morning, power had been restored to just under 15 800 homes and businesses across the region that were affected by the weekend storm. Unfortunately, the widespread nature of damage caused by the storm means that some individual homes will require bespoke repairs to their private connection or service line. In these cases, customers may remain without power for a couple more days.

WA Electrical Inspectors has proactively sent three inspectors to assess the work done to private homes and businesses to make sure their connections are ready and safe for network reconnection and to avoid delays in restoration. Western Power ground crews have been operating since the emergency struck on Saturday, with most of them working 16-hour shifts in hot conditions. Ensuring their safety and the safety of the public before power is turned back on remains a priority.

I thank all those involved in the emergency response for their tireless efforts to ensure the public's safety and restore power to this important region. In particular, I acknowledge the amazing efforts of the City of Kalgoorlie–Boulder, the Shire of Coolgardie, State Emergency Services, the Department of Fire and Emergency Services, the Water Corporation, Western Power, the volunteer bush fire brigade and large industries in the area that have offered their services and equipment to repair efforts.

I also thank the businesses and communities impacted by this horrible storm that have rallied together in the face of an overwhelming challenge and shown great patience, understanding and support to emergency response efforts.

LAND AGENCY REFORM

Statement by Minister for Lands

MS R. SAFFIOTI (West Swan — Minister for Lands) [12.15 pm]: Following on from the first round of public sector reform, I am pleased to confirm that the McGowan government is continuing to drive change in the public sector to overcome silos, inefficiency and duplication across government land agencies. Even prior to coming to government, it was apparent that there was a clear need to reduce the level of duplication in government land development agencies. It was also apparent that the government and taxpayers would benefit from the consolidation of the expertise that is spread across agencies with land development functions.

Over time, the roles and functions of LandCorp and the Metropolitan Redevelopment Authority have become blurred, and the structure of the MRA in particular has not led to strong financial outcomes for the state government. Cabinet has now endorsed the first component of phase 2 in its machinery-of-government reforms.

Land agency reform includes the consolidation over time of the activities of the MRA and LandCorp. The aim is to put sharper focus on key government priorities, including urban renewal and development projects, Metronet, regional land development and industrial land development. It is also clear that under the previous government, the MRA was led into an unsustainable financial operating position. These reforms will ensure that proper financial rigour is re-established under the new entity and that future projects are undertaken with appropriate governance structures. The land agency reform process will also deliver on the election commitment to establish an industrial lands authority, as outlined in “WA Labor Plan for Jobs”.

The consolidation of the MRA and LandCorp marks the beginning of reform and will take place in two phases. Phase 1 will see the appointment of common board members to both the LandCorp and MRA boards. A standing board subcommittee will be responsible for driving the reform process to achieve operational consolidation of the two entities on or before 1 January 2019. The subcommittee will work with the Public Sector Commission to achieve full operational consolidation with the appointment of a single chief executive officer to both organisations on or prior to 1 January 2019.

Phase 2 of the reform will be to progress the necessary legislative changes to further refine the consolidation and reduce duplication through the provision of a single board for the new entity. The reform process will proactively reduce duplication and inefficiencies in the government land development space. It will enable the single entity to utilise the full suite of planning mechanisms available to deliver on priority government projects, such as Metronet. The creation of an industrial lands authority will streamline the delivery of industrial land in Western Australia and will improve coordination and delivery of industrial land, including the streamlining of approval processes and the appointment of a single point of contact for industrial land. The industrial lands authority will be created as a separable portion of the new development entity and will operate as the Industrial Lands Authority.

All the regional projects currently undertaken by LandCorp will continue and the regional component will be a key part of the new entity. There will be sharper focus on delivering economic opportunities in regional Western Australia and more housing choice.

The McGowan government made an election commitment to develop a more efficient and effective public sector delivering savings and better services for Western Australians. Importantly, this reform will help deliver key community outcomes, including increased housing choice, better transport connectivity and an enhanced built and natural environment.

CIVIL LIABILITY LEGISLATION AMENDMENT (CHILD SEXUAL ABUSE ACTIONS) BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Mr J.R. Quigley (Attorney General)**, and read a first time.

Explanatory memorandum presented by the Attorney General.

Second Reading

MR J.R. QUIGLEY (Butler — Attorney General) [12.20 pm]: I move —

That the bill be now read a second time.

On behalf of the McGowan state Labor government and the people of Western Australia, it gives me great pleasure to introduce this bill that fulfils an election commitment to remove the limitation periods in respect of civil actions for child sexual abuse. As members will be aware, this is a historic bill. In some respects, the government’s legislation will go further than any similar legislation in any other Australian jurisdiction to date.

Statutory limitation periods determine the time within which a claim for damages must be commenced. The Royal Commission into Institutional Responses to Child Sexual Abuse found that the average time for a victim to disclose child sexual abuse was 22 years. At present under the Limitation Act 2005 of Western Australia, a claim must be brought within three years of the cause of action arising or, in the case of a child, by their twenty-first birthday.

Limitation periods under the previous Limitation Act 1935 of Western Australia will apply to many historical child sexual abuse cases—when sexual abuse was suffered before 15 November 2005, a person had six years to commence a claim for personal injuries damages. Given these limitation periods, it is obvious that most victims of abuse in Western Australia are unable to sue for damages when they finally disclose their abuse. The royal commission recommended that state and territory governments legislate to retrospectively remove any limitation periods that apply to a claim for damages resulting from child sexual abuse.

The sexual abuse of children is one of the most abhorrent crimes imaginable and the fact these crimes may have happened many years ago should not be a barrier to being able to seek justice and compensation in our civil courts.

The Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Bill 2017 of Western Australia seeks to remedy this. The bill removes limitation periods for all child sexual abuse actions, both retrospectively and going forward. The amendments will define a child as a person under 18 years of age. The phrase “sexual abuse” has not been defined in the bill and the court will have latitude to determine it in accordance with the ordinary meaning and common understanding of the term. A court will not be confined to acts or omissions that are criminal offences.

A cause of action for child sexual abuse could lie against the actual perpetrator of the abuse or against an institution, when an institution was legally responsible for the actions of the perpetrator such as when the institution was negligent and that negligence resulted in the child not being protected from sexual abuse. The removal of limitation periods for child sexual abuse actions applies to all such claims.

Claims by a third party arising from the child sexual abuse are specifically excluded in historic claims—that is, claims that would have been statute barred but for the amendments introduced—so there is no change to the limitation periods that apply to these kinds of claims. Lifting the limitation periods for claims arising from child sexual abuse will not affect the limitation periods that apply to dependants’ claims arising under the Fatal Accidents Act 1959 of Western Australia or deceased estate claims.

The bill seeks to strike a balance between the principle that once a court has finally determined a case, it ought not to be re-litigated and the policy to allow victims to sue when they were impeded in doing so by limitation periods. The bill includes transitional provisions to allow a court to set aside previous settlement agreements or court orders in limited circumstances; that is, when a judgement was given on the basis that the action was statute barred or a matter was previously settled after the limitation period had expired.

The bill provides that prior compensation payments related to child sexual abuse must be deducted by a court when determining the damages payable. These would include payments made under the various ex gratia and redress schemes administered by the state, commonwealth or other states and territories; criminal injuries compensation awards; and ex gratia payments and compensation payments made by non-government institutions. In order to ensure that all parties receive a fair trial, the bill maintains the authority of a court to stay civil proceedings for historical child sexual abuse when the lapse of time has a burdensome effect on the defendant that is so serious that a fair trial is not possible.

The bill also goes further than removing the limitation periods for child sexual abuse. In a first for Australia, the bill provides a legal basis for suing institutions for historical child sexual abuse in the name of the current office holders. At present, there are legal difficulties in suing an unincorporated institution. Many of the churches and other institutions involved are not, or were not at the time, incorporated. These provisions are required to overcome the difficulties that a victim may face in identifying a proper defendant, particularly those arising out of the lack of perpetual succession in unincorporated institutions as identified in the New South Wales Court of Appeal decision of *Trustees of the Roman Catholic Church for the Archdiocese of Sydney v Ellis and Another* (2007) 70 NSWLR 565.

The bill sets out detailed provisions to be able to link a historical institution to its current form. Liability will still need to be established against the historical office holder in accordance with ordinary legal principles. However, when the current institution and office are substantially the same as they were, the current office holder may be sued and can be liable in place of the historical office holder. Further provisions provide that a current institution can be taken to be the relevant successor of an earlier institution in specified circumstances. Notwithstanding these provisions, it is possible that a particular set of circumstances arise that was not contemplated by the legislation, or an institution may request to be identified as the proper defendant. For this reason, the bill includes a regulation-making power whereby the Governor may, on the recommendation of the minister, provide in regulations that for the purposes of the act a current institution is the relevant successor of the earlier institution that existed at the time of the accrual of the cause of action. The regulation-making power is not unfettered. The minister cannot make a recommendation for the purposes of such regulations unless satisfied that the current institution has some relevant connection to the earlier institution, or the individual or body with overall responsibility for the current institution has agreed to the current institution being taken to be the relevant successor of the earlier institution.

The bill also contains provisions at proposed sections 15C and 15E that provide a legal basis for institutions, trustees and office holders to use assets that are held by or for liable institutions or office holders to discharge any child sexual abuse liability. These provisions are declared to be corporations legislation displacement provisions under section 5G of the Corporations Act 2001 of the commonwealth, for the purposes of enabling directors or other officers of corporations to exercise their powers without contravening the corporations legislation.

In line with the McGowan government’s commitment to ensure that victims are treated fairly, the bill introduces a cap on legal fees that may be charged in child sexual abuse cases. This is in line with similar legislation that is in place for motor vehicle and workers’ compensation claims. I anticipate that claims will be commenced for historical child sexual abuse against the state of Western Australia following the passing of this bill. I confirm that the government will deal with these matters sensitively and with respect. The state and its agencies at all stages of

the process will be mindful that litigation can be a traumatic experience for persons who have suffered sexual abuse as children. I also take this opportunity to say to those institutions that have been in any way responsible for child sexual abuse under their watch, that these legislative reforms are balanced and rely on a measure of cooperation on the part of institutions. The legislation provides a legal basis for institutions to participate in the litigation and settlement of child sexual abuse claims. However, the government will not hesitate to introduce further legislation should institutions choose to rely on their structures and asset holdings to prevent sexual abuse victims from obtaining adequate compensation.

The commonwealth government recently introduced legislation in the federal Parliament to support its redress scheme. Although no states have yet committed to opt-in to this scheme, which still has features that are far from fully developed, the state government will continue its discussions with the commonwealth in that regard. The bill contains the first set of amendments in this state that focus on historical child sexual abuse. The royal commission has made many other recommendations in areas of both civil and criminal law and the McGowan government will continue to consider all these recommendations and when required, further tranches of legislation will be introduced.

Justice has been a long time coming for the survivors and their families who have been kept waiting too many years for this legislation. I commend them for their courage and personally thank them for the patience and grace that they have shown while the government has been preparing this bill. I would like to thank the many people across government who have devoted time and energy to this bill. The bill is some 19 pages long, is elegantly written and very dense in its subject matter. I would like to thank the Parliamentary Counsel's Office, led by Mr Geoff Lawn and his deputy Ms Lee Harvey, and in particular Mr Roger Jacobs of that office. The government would also like to extend recognition and thanks to Ms Sonia Lowman and Ms Ilse Peterson of the State Solicitor's Office for their help and input, Mr Dom Fernandes of the Department of Justice for his untiring and excellent work in instructing the Parliamentary Counsel's Office, and finally, I would like to thank the independent Solicitor-General of Western Australia, Mr Peter Quinlan, SC, for his very wise and sage advice during all stages of the preparation of this bill. It is my pleasure to commend the bill to the house.

[Applause.]

Debate adjourned, on motion by **Ms L. Mettam**.

SCHOOL CURRICULUM AND STANDARDS AUTHORITY AMENDMENT BILL 2017

Third Reading

MR P. PAPALIA (Warnbro — Minister for Tourism) [12.35 pm]: I move —

That the bill be now read a third time.

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [12.36 pm]: I rise to speak on the School Curriculum and Standards Authority Amendment Bill 2017. We enjoyed the debate on this legislation in the chamber last night and uncovered that the bill might need a little bit more work. I was very pleased to see the government agree to accept the amendment put forward by Hon Donna Faragher in the other place for regulations being introduced to allow Parliament to be informed of the parameters and rules that will direct the board of SCSA on the release of identified and de-identified data about our schoolchildren. This legislation will enable SCSA, as an authority, to release data about our children. In certain circumstances that could include their names, ages, and addresses; or details about their parents, such as their educational achievements, occupations or criminal history. Indeed, if this state had privacy legislation, the data may have been able to be released under a different mechanism. In the absence of privacy legislation, we needed to have an amendment to the School Curriculum and Standards Authority Act.

The ACTING SPEAKER: Members, can we keep the noise down in the chamber, please?

Mrs L.M. HARVEY: Thank you, Mr Acting Speaker. That was very distracting.

We talked about that in the second reading debate and during consideration in detail. The opposition uncovered that the reason for the urgency of this legislation and for the bill being brought to this place without much opportunity for the opposition to apprise ourselves of it is an impending deadline; that is, next year our students will be participating in NAPLAN Online. Of our 1 051 schools, 200 are ready to participate. I would say that the 800 or so other schools will have a fairly big job ahead of them, especially schools in regions such as the member for Vasse's electorate, which have problems with internet capacity. Indeed, in some schools in my electorate, if more than one class is working on the computer system at any one time, pretty much the rest of the school cannot access the system. NAPLAN Online will create some significant challenges for a large number of our schools. That is why we anticipate that only 200 of our 1 051 schools in this state will participate in the testing in that fashion next year.

On 8 November, we received notification of this legislation coming to Parliament and 13 days later we are debating it in this chamber because the minister, for whatever reason, did not bring the legislation forward in sufficient time for it to sit and go through the normal parliamentary processes to allow us to scrutinise the bill thoroughly. In the

time frame, only Hon Donna Faragher and I were available for a briefing on the legislation, which put the opposition at a significant disadvantage when scrutinising this legislation. It needed scrutiny because a major part of the legislation—the bulk of it—enables the release of identifiable data on our children. I would say that a lot of parents are completely unaware that this legislation has been introduced and that as a result of this legislation passing through both houses of Parliament, the School Curriculum and Standards Authority will be able to decide to release identifiable data about children without parents' consent. Should a research institute want to do a broad population study on, say, the year 3 cohort across the whole state, this legislation will enable a researcher to ask the board of SCSA to decide whether to release data that could include students' names, dates of birth, addresses, the educational qualifications of their parents and the criminal history of family members. A range of very private information could be released to researchers in the interests of improving the wellbeing of our students and educational outcomes or understanding why educational achievement for certain cohorts of students sits where it sits.

It is very unusual to make urgent a bill that enables the release of that sort of very sensitive information. We on the opposition benches do not appreciate the criticism that we received from some government members for protesting the urgency motion for this legislation. It is sensitive information. It is a new step. Nothing in this bill requires the board of the School Curriculum and Standards Authority even to inform parents that their child's data has been released. We are told that it may be prescribed in the regulations that SCSA is required, for example, to notify parents, but, as I said in my second reading contribution, I have children who went through the schooling system and I received requests from universities for my children to participate in studies. As a parent, I was informed of the purpose of the study and the type of data needed. I have signed consent forms and agreed to the release of data in certain circumstances, but for other research projects I have said, "No, I do not want my child's information to flow through to that research project." But I had the choice. I am the parent, I am the guardian of my child's information and I was able to make that decision.

Once this legislation passes through Parliament, the board does not necessarily need to consult me about releasing data on my children. I find that somewhat concerning. I am sure that many parents out there would also be somewhat concerned if they were aware of this legislation. As we discussed, the minister who brought the legislation to this Parliament has given an undertaking to the opposition that he will find some additional information, which I hope he will provide in his third reading speech, on how some of this data is currently used. We found out during the consideration in detail stage that we think that the Australian Curriculum, Assessment and Reporting Authority, which collects all the National Assessment Program — Literacy and Numeracy information, has a policy on protecting the names of children. We know that ACARA releases data for research projects and efforts, but I am not sure whether parents are even aware of that. Certainly, in pursuing this legislation through Parliament, we found that the representative of government introducing the legislation could not tell us whether there are policies and procedures for the maintenance and release of data held by ACARA.

Hopefully, when the legislation goes through the other place, the minister will give an assurance about how the personal and private data of our children currently held by ACARA will be protected. A lot is riding on the regulations. The regulations are going to prescribe the parameters that will guide the board on the release of data and whether the release of that data fits the criteria that sits within the legislation to release data. I hope that the regulations will also require SCSA to inform parents. It may not be able to necessarily contact every individual parent about some broad population studies, but at least schools should be able to issue a notification to inform parents that the board of SCSA has agreed to release information about all year 3 students, in the example I used before, so that at least parents know that their children's data is being mined and used for research purposes.

We talked a bit about the dangers of releasing this sort of data, and much was also said about the introduction of the National Assessment Program — Literacy and Numeracy. When NAPLAN testing was first introduced, the data was supposed to be used for the improvement of the academic achievement of and outcomes for individual students. It was to be a nationwide testing regime that would show how our students compared with the average across each state and across the whole country. Now there has been a complete 180-degree turn in the use of that data. We were told at the time NAPLAN was introduced that there were not going to be any league tables and comparisons between states, schools were not going to be competing against each other on NAPLAN results, and we certainly did not expect children in the NAPLAN years—years 3, 5 and 7—to be spending pretty much the first term of those years studying NAPLAN tests. But that is what we are seeing now as a result of NAPLAN testing. What started out as a very good idea for collecting data has now taken a 180-degree turn and it is changing the way we educate our children. We now see league tables appearing, and schools that are doing well in NAPLAN results are advertising that fact and are trying to get parents and additional students to come to those schools. Funding is being linked to NAPLAN results. School boards are now obsessed with NAPLAN results because their funding is tied to improvements in NAPLAN testing. The system has become distorted. When this legislation goes through, SCSA will be able, without any parental consent at all, to release the data being collected through this educational process for research. Once the Parliament of Western Australia takes this step, it will be interesting to see what that data is used for 15 years from now because we have seen NAPLAN data used completely differently from what was intended when NAPLAN testing was introduced.

The other provision that I believe will need amending when the bill goes through the other place is the requirement for the minister to report to Parliament on what data has been released, for what purpose and for what period of time. This Parliament should understand how the private data of 123 000 primary school students in Western Australia will be used, when it will be released, under what circumstances and for what purpose it will be released, and the outcome of the research project and whether the research project fulfils the commitment and intent of the legislation that has allowed the release of that data. Data can be used for all sorts of purposes. The risk is that once data is released, notwithstanding a \$10 000 fine, it can be passed on to third parties. Data is valuable. Many parents are concerned; if data on the educational achievements and health status of their children is released, will insurance companies somehow be able to access that data further down the track? We do not know. What happens if that released data goes to companies that can then use it for a commercial purpose? That is why parents become quite concerned about the ability for data on their children and family to be released. Yes, there is a lot of data out there. With the advent of social media, we do not have any control over a lot of the information that flows out about us as individuals. To enable the board of the School Curriculum and Standards Authority to release information without even requiring the consent of parents is a big step.

The opposition hopes that the legislation will fulfil its purpose; we hope the data will be used for egalitarian purposes, and that it is used and interpreted to the benefit of future children in Western Australia. We urge the minister to bring forth an amendment to require the minister to report on when the data has been released and for what purpose, and also when the data has been returned and destroyed, so that we can have some confidence that this data is not going to be held inappropriately and that when it is released, it will be used in an appropriate fashion.

We support the legislation. It is unfortunate that it was rushed through this place, with only 13 days for the opposition to do its research and be briefed on it, but that is what we have and it will now pass to the Legislative Council and, hopefully, an additional amendment will be brought forward by the minister in the other place to make sure that there is some ministerial reporting responsibility to this Parliament with regard to the release of data on our children.

MR T.J. HEALY (Southern River) [12.51 pm]: I rise to make a contribution to the third reading debate on the School Curriculum and Standards Authority Amendment Bill 2017, which amends the School Curriculum and Standards Authority Act 1997. In my contribution I will refer to the bill and its effects, and what it seeks to do. I will refer to my views about NAPLAN and standardised testing, and what I would seek to further contribute to actually change and improve children and young people's literacy, numeracy and wholesome citizenship and personal skills.

As has been discussed, the bill is quite mechanical and administrative. It gives us the ability to move towards the NAPLAN Online model in 2018. Collecting 120 000-plus permissions or direct disclosures from parents and families is not logistically feasible; nor is it a good use of educators' time. This bill will allow us to focus on that. The disclosure of student data by SCSA for student registration for NAPLAN Online is an essential part of this, and as we have mentioned, the wording in the current act about what SCSA can do prevents us from doing that.

As an educator in Gosnells and Southern River for some years, it has been my experience that standardised testing does not improve the quality of someone's education. It does not make someone read or count better, but it does put a significant amount of stress on both students and educators and takes away class time. I endorse what the minister said: there is a role for testing; I certainly concur with that. What I would like to say—these are my views as an educator and elected representative, and not those of the government—is that I do not seek for us to move completely away and go it alone, because there is a role for testing. There is a role for classroom teachers, within their educational department—be that humanities, maths or STEM—to assess and work out how their students are going. Can they read at a level we are comfortable with? I have a variety of schools in my electorate. I am very lucky to represent schools in Canning Vale, Huntingdale, Southern River and Gosnells and they are on a spectrum. My schools in Canning Vale, on the whole, do a lot better. My schools in Gosnells, on the whole, do a lot poorer. Do they need to be compared nationally with how like schools in different states are going? For members who are not aware, like schools mean that they try to compare schools of a similar socioeconomic demographic and factors, such as whether the school is in a metropolitan or regional area, and other factors that affect students' education. It seeks to make a comparison, but all those things can certainly take place within the school. Trying to move some resources into things such as increasing the number of education assistants, reducing class sizes, getting more laptops and getting more infrastructure into schools will make a big difference in improving the literacy and numeracy of children and in spending time in class to make sure that students become good people. During my contribution to the second reading debate, I mentioned some of the great things that schools are doing to encourage and foster students to become good people. I would love to see more of those things being done, as we also ensure that the literacy and numeracy standards of students are at a high level.

Within this chamber, there is quite a significant education caucus. I mentioned the members for Kalamunda, Wanneroo, Midland, Armadale and Mandurah, and the members for Churchlands, Warren-Blackwood and Cottesloe as former chalkies. A significant chunk of people here have taught in classrooms, but that does not mean that we are of the view that we know all that we can about this matter. A majority of people in this chamber are also parents. A majority of people here have children who are students within the education system and who go through the stresses of year 3, year 5, year 7 and year 9. The member for Dawesville sat his year 5 NAPLAN test only four years ago! He is a key member who has been a part of this and it is important that we are aware of that!

Again, these are my views as a dad. My daughter is only 16 months old. I look forward to her entering the education system. I look forward to her being part of a school that makes sure she has a wholesome education and that she learns how to read and write, to be a good citizen and things like that. That is really important. I was a high school teacher. My whole family are teachers. The rest of my family are primary school teachers. I was the failure who went into high school teaching. My family deals with the year 3s and year 5s. I dealt with so many students in my English class who, in year 7 and year 9, did not want to attend school. They did not want to do any of the exercises or work in the first term leading up to NAPLAN because they were used to failing. Their families were used to getting the written communication that said, “You are below the standard.” The students could read and write at probably a good level, but in a national benchmark, they were told, “No; you’re not good enough.” That did not help them. I dealt with students in year 7 and year 9, as well as those in years 10, 11 and 12 who had that flow-on effect into the Online Literacy and Numeracy Assessment. I dealt with students who were crushed, I suppose. They did not want to go into NAPLAN week. The way our school did it was that periods 1 and 2 were blocked off and a section of the school was blocked off. Students went in, sat with their pencils and went through a very rigorous, tough circumstance. It was difficult to inspire my kids by saying why they should do NAPLAN. A significant amount of time was taken away from my teaching to deal with the flow-on effects. I would often say to my students, “This test doesn’t mean anything, in some aspects. You are a good person. You will continue to learn and continue to aspire regardless of how this test goes. This is a requirement I have to do as your teacher. You have to sit this.” I often have to say to my students to help inspire them, especially in a low socioeconomic school, “This does not sum up who you are. This test does not tell you whether you can be a lawyer, a person of merit, in the future. This should not crush your spirit and passion at this stage”, because no test can measure someone’s worth; no test can do that.

I am conscious that My School and NAPLAN websites also acknowledge this. They state that standardised testing does not improve any student’s reading, writing or numeracy. It is about assessing data to find gaps in the system and ways to improve it. We now overtest and overanalyse all these things. I would not call it a NAPLAN industry, but one of the other members referred in their second reading contribution to preparation resources—extra tutors that are sometimes employed, class time taken away, administrative time and extra student services such as those in most schools I have worked in, school psychologists, nurses and pastoral carers. There is significant overflow. Imagine if those resources were included in some more pastoral care resources and others. I do not need a standardised test to tell me literacy and numeracy levels generally. By looking at the postcode of the suburb my school is in and by looking at other factors, I can clearly identify that.

I encourage investment in education; it can transform and improve. Over some time, federal Labor has given thousands of MacBooks and millions of dollars for building new classrooms, new gyms, assembly areas and critical infrastructure. The McGowan government, with the wonderful Sue Ellery at our head, is investing in education.

Mr J.E. McGrath: Como Secondary College when you’re doing your list.

Mr T.J. HEALY: Is it included in that?

Mr J.E. McGrath: It needs some help, yes.

Mr T.J. HEALY: Okay, I am certainly happy to recommend that.

Mr J.E. McGrath: Thanks very much.

Ms L. Mettam: Dunsborough also.

Mr T.J. HEALY: I remember that Dunsborough is being funded in this budget; there is a big chunk of funding. I did not bring my list; I should have brought it.

Ms L. Mettam interjected.

Mr T.J. HEALY: It is in the budget papers now. When funds go into those schools is when we see change and improvements. I remember applying to be a relief teacher at Como Secondary College. From memory, that was the only time I have been to Como. It is a good school, yet an old school, from the same era—I have not been to Dunsborough High School —

Ms L. Mettam: Primary School.

Mr T.J. HEALY: I do apologise—the same cookie-cutter school as mine, built in the 1970s, when I think the Department of Education paid, I think, an architect and said, “Build me 50 schools”, and they are all exactly the same. I imagine that if my schools, Southern River College and Huntingdale Primary School, are all falling apart, Como Secondary College could possibly be also.

Several members interjected.

Mr T.J. HEALY: I will say that Sue Ellery is a fantastic Minister for Education and Training, who is doing good work to restore access and equity to schools. She is doing her best to address those inequities. I commend the many educators and teachers —

Mr C.J. Barnett: Why didn't your government re-establish inclusion rights to children with disabilities?

Mr P. Papalia: It's a third reading.

Mr C.J. Barnett: Why didn't you do that in government? You weren't here.

Point of Order

Mr P. PAPALIA: This is a third reading debate. I do not think it is appropriate to have interjections from the member for Cottesloe on people making their third reading contribution. It is not a debate right now. This is the third reading conclusion of the debate.

Mr T.J. HEALY: I am happy to take that interjection.

The DEPUTY SPEAKER: First of all, can you just calm down. There is no point of order. The member for Southern River, please go ahead, if you wish to take the interjection.

Debate Resumed

Mr T.J. HEALY: I am happy to. I acknowledge that, as a former education minister, there are probably a number aspects of education the member for Cottesloe will know more about than I do. I fully support inclusion rights. My sister became a disability specialist teacher when she went into primary school teaching. I think the member for Cottesloe might agree that on the aspect of inclusion, we do not get political and say that it is a Labor thing or a Liberal thing. I believe it is something all governments try to achieve.

Mr C.J. Barnett: We did it—we actually did it.

Mr T.J. HEALY: I will take the member for Cottesloe at his word. If the member for Cottesloe made good strides towards inclusion —

Mr C.J. Barnett: We did it.

Mr T.J. HEALY: — I will say thank you, and congratulations.

Mr C.J. Barnett: He's having a crack at me.

The DEPUTY SPEAKER: Member for Cottesloe!

Mr T.J. HEALY: I am not having a crack. I am not being sarcastic.

I commend the many teachers and educators, student assistants and admin teams who contribute to building school communities.

I refer again to the second reading speech by the Minister for Tourism. The minister said —

Educational outcomes are affected by factors beyond what the education system can influence, such as social and environmental circumstance, and the culture of their home learning environments.

Incredible teachers and educators are working with students from diverse backgrounds. I will soon be meeting with several fine teachers to discuss NAPLAN and how we can help our students. I would like to mention in particular Natasha Clark, Daisy Farley, Mike Filer, Sasha Lytas and Ryan Walker, who are commendable and very strong educators in their area.

What are the solutions, and what is the government's contribution to this area? When we increase funding for students in low socioeconomic areas, when we increase funding for education assistants and programs, when we increase funding for schools rather than cut funding for schools, when we build new schools and new facilities, and when we rebuild old schools, that influx of funding and infrastructure produces massive change.

I did my teaching prac at what was then known as Kwinana Senior High School. I remember that the building was literally falling down around us. The former government redeveloped that school and changed the name to Gilmore College. Gilmore College and the suburb of Kwinana still have significant issues. However, there was a significant influx of capital and infrastructure for the redevelopment of that school. In all our communities, we have to deal with methamphetamine and other drug use, poverty, and homelessness. All those factors have an incredible impact on students' literacy and numeracy.

I look forward to being part of a government that funds and builds schools, that employs and inspires educators and education assistants, and that is making significant progress in dealing with the issues of meth, poverty and disadvantage. I commend the bill to the house.

MR P. PAPALIA (Warnbro — Minister for Tourism) [1.07 pm] — in reply: I thank members from all sides who made a contribution to the third reading debate on the School Curriculum and Standards Authority Amendment Bill 2017. I said last night, and I repeat today, that it is always uplifting to participate in or witness debates in this house that are focused on education, because even though there may be a bit of gentle badgering or criticism from both sides, it confirms the respect and importance that all members of this Parliament, regardless of their political persuasion, attach to the value of providing equality of opportunity for all students in our state to achieve the best possible education outcomes. That is what happened last night, and it has continued today.

With respect to the specific contributions and the questioning that was undertaken, I say at the outset that the Deputy Leader of the Opposition repeated her criticism today about the fact that this bill has been declared an urgent bill. As I indicated last night, it is not and never was the intention that the debate would be rushed or that, in some manner, the opportunity for the opposition to assess and criticise the bill would be truncated or restricted. Indeed, as those who remained in the chamber can attest to, there was every opportunity last night for contributions during the second reading debate. We had contributions from the members for Scarborough, Kalamunda, Southern River, Dawesville, Thornlie, Vasse, Wanneroo, Cottesloe, Baldivis and Geraldton. There were a significant number of speakers, all of whom had the opportunity to speak for as long as they wished, and there were no restrictions on their ability to contribute. Indeed, the member for Scarborough herself, who intimated that we were perhaps restricting or rushing the debate in some manner, did not use her entire 60-minute entitlement in her response to the bill, but spoke for only 43 minutes, which was fine. A significant amount of that contribution was a little repetitive. The nature of the other criticisms of the bill were legitimate and reasonable. I do not necessarily agree with them, but there was ample opportunity for them to be put. The criticism or suggestion that somehow things were being rushed and there was some denial of democracy through declaring this bill urgent was simply not borne out by the experience, because everyone made their contributions last night. There were plenty of them and they were all of high value and high quality—considered and mostly reasonable.

Then we had consideration in detail of the eight clauses of this bill. It is not a massive bill. Despite the suggestion that 13 days or two weeks is not enough time to assess and analyse an eight-clause bill, I would assert otherwise. Were it put to me in opposition that I would have only 13 days to prepare for a debate around an eight-clause bill, I reckon I could have done it standing on my head, and spoken for the full hour. It is an experience, I know, going from government into opposition. I have done that, and I know that at the outset we have to develop the capacity, skill and determination to prepare ourselves. Going from, as I have not done, having all the resources of a ministerial office to opposition, and not having those, might be quite confronting, and that might make 13 days seem like a short time to study eight clauses. I do not concede that argument, despite it having been put several times today. I do not feel that it carries water.

Putting aside that point, there is still ample opportunity for the opposition to address any concerns it has about this bill in the other place. Indeed, that is probably the better place to do it, because both the Minister for Education and Training and the shadow minister sit in that house. They have already engaged, in a collegiate manner, in the preparation of this bill to date. As has been mentioned, they have worked together to amend the bill to satisfy the concerns of the shadow minister. The amendment I moved during the consideration in detail stage was entirely to address the concerns of the shadow minister, despite the fact that, when the amendment was moved, some members of this place on the other side found it to be a concern. Their major concern was that the minister of the day would not be the responsible authority, but instead determination of when information would be released for research would be provided for in regulations. That was the request of the opposition for the modification of this bill, and yet there was inconsistency on the other side of the chamber. There is obviously a breakdown in communication there, and not necessarily a united response to the bill, although I welcome the fact that the Deputy Leader of the Opposition indicated that the opposition will be supporting the bill.

I trust that that will be the case when it gets to the upper house. We did, as she indicated during consideration in detail, identify some concern on the other side of the chamber that it would be good to know more about how parents would be notified of the release of either blocks or tranches of data. That is a reasonable thing. The problem is that the regulations that will dictate all the detail around control, management and release of this information have not yet been drafted. Clearly, I was not able to respond to those questions, but that is a normal practice. Obviously, the agency needs to wait until the School Curriculum and Standards Authority Amendment Bill is passed so that it can determine what the regulations should reflect. One amendment has already been made in this place, at the request of the opposition, so there may be other changes. It is not possible for the agency to prepare the regulations in advance. It was able to indicate that criteria will determine the release of information for the purposes of research. That criteria includes that disclosure must be reasonably necessary; that disclosure requires personal information about an individual whose identity is apparent or can be reasonably ascertained, for instance; and that it is impractical to obtain consent from individuals contained in the information released, which refers to large-scale studies that require extensive information and where it is impractical to obtain consent. Each application will be addressed individually and the structure around which parents might be informed will potentially be addressed in the upper house. Again, I stress that the regulations are not yet available.

The other issue that the Deputy Leader of the Opposition raised was the suggestion that it would be a good thing for an annual report to be made to Parliament on the nature and extent of the information released annually. Although that seemed like a reasonable thing to me, I only represent the minister. I sought advice from the minister's advisers and the government and agency advisers last night to the effect that they will address that in the debate in the other place. I am sure that the Minister for Education and Training will respond to that observation. It seems like a reasonable thing. It is entirely up to her whether she states how or where it will be done or if she will do it. I undertook to pass that on to the minister and I am quite happy to have done so.

I will close by saying that the intent of this amendment was always to address a process that was recognised as being needed in the fiscal year 2013–14 under the previous government. The Curriculum Council Amendment Regulations 2012 had some failures. It failed to authorise the release of information as necessary for NAPLAN Online testing. It was a process that began under the previous government to work towards facilitating the release of data from online testing. That process began under the previous government but did not conclude in time for the commencement of online testing this year. It is now necessary. All jurisdictions in the country have agreed that they will commence using online testing next year, as the Deputy Leader of the Opposition indicated. Around 200 schools will use online testing next year and the objective is to have all schools using online testing in 2019. This legislation is necessary. It must be passed to enable that to occur and to meet the time frames set for achieving those objectives. The additional intent of releasing information for the purposes of research is commendable. I do not think anyone would suggest that it is not a good thing to share information across portfolios and areas of responsibility of government to get better outcomes for early intervention with young people, better education and health and other outcomes. I think most people would consider that to be a valuable thing. Yes, to some extent there is always a risk that data security will be breached, but that is just as true of the national authority with NAPLAN data as it is with agencies in this state. We already release large amounts of detailed information with links to individual identities in the health department in the field of health research. In effect, this is just an expansion of that process. It will enable cross-referencing between research in fields that are clearly linked. That cooperation and cross-referencing will clearly enable better and greater interventions to improve outcomes for our children. I think the vast majority of people recognise that that potential benefit outweighs the risk, although we have to mitigate risk wherever possible. That undertaking was made by the agency on behalf of the minister. Clearly, the minister in the other place will address that matter as well.

Question put and passed.

Bill read a third time and transmitted to the Council.

CORRUPTION, CRIME AND MISCONDUCT AMENDMENT BILL 2017

Second Reading

Resumed from 18 October.

MR P.A. KATSAMBANIS (Hillarys) [1.21 pm]: I rise to speak on the Corruption, Crime and Misconduct Amendment Bill 2017 as the lead speaker for the opposition. I point out at the outset that the opposition supports the passage of this bill, but in my comments today I will highlight how I think the process is likely to go from here. This is a very short bill; it has four clauses. Really, only one clause—clause 4—does anything substantive. Clause 4 inserts one word into section 3(2) of the Corruption, Crime and Misconduct Act 2003—it returns the word “exclusively” to that provision.

This bill has an interesting history. The provision that it seeks to amend—section 3(2)—was inserted during the course of parliamentary proceedings when the original bill was debated in the chambers. This short but important provision was inserted into the primary act and sat there for many years. During the course of the last Parliament, the government of the day made some amendments to ostensibly allow the Corruption and Crime Commission to get on with its main task, which is to look into serious misconduct, and to not burden the CCC with what would be considered to be minor misconduct by public officials who may require some counselling or discipline, or perhaps just simply some guidance or advice to those public officials. After an effluxion of time, it was considered that minor misconduct is not something that the CCC should focus on. It was taking up a lot of its time and a lot of its resources. Legislation was brought in at the time to move minor misconduct matters relating to public officials to the Public Sector Commission, which is fair and reasonable, because in any employment situation the employer or the body within the employer organisation that deals with human resources matters is the body that deals with minor misconduct, be it in a public company, in a private company or in government. That was all well and good. As a result of those changes to that legislation, section 3(2) of the Corruption, Crime and Misconduct Act 2003 was amended. It was amended to clarify that those provisions around minor misconduct would apply to minor misconduct of members of Parliament, if you like. Earlier this year, in the consideration in detail debate on the Corruption, Crime and Misconduct and Criminal Property Confiscation Amendment Bill 2017, the Attorney General highlighted the possible circuitous nature of some minor misconduct that may be referred to the Corruption and Crime Commission, back to the parliamentary privileges committees, back across to the CCC and back to the parliamentary privileges committees. That was all well and good, but in making that amendment in the last Parliament, another minor change was made—I will get to all this in more detail in a minute—that removed the word “exclusively” that has caused us all the problems and all the consternation since then.

I think it is worthwhile putting on the record the provisions of section 3(2) as it read at the time the Corruption, Crime and Misconduct Act came into being. It reads —

Nothing in this Act affects, or is intended to affect, the operation of the *Parliamentary Privileges Act 1891* or the *Parliamentary Papers Act 1891* and a power, right or function conferred under this Act is not to be exercised if, or to the extent, that the exercise would relate to a matter determinable exclusively by a House of Parliament, unless that House so resolves.

That was the provision. The changes to the legislation in the last Parliament removed those last few words “unless that House so resolves”, but they also removed the word “exclusively”. As I said earlier, it was done in the context of changes that were being made to free up the CCC to look at serious misconduct and pass on minor misconduct by public officials to the Public Sector Commission to deal with. Not a lot of attention was paid to a provision that impacted on the privileges of Parliament and members of Parliament, but it was done, and none of us paid attention to it. The Attorney General was in this place at the time as shadow Attorney General. I was in the other place with the then Attorney General. The member for Cottesloe was here as Premier and had responsibility for carriage of the bill in this place, and at the time he read a statement into the record around this provision and no-one picked up that there may be problems. As I said, the reason that the words “unless that House so resolves” were removed was articulated very clearly by the Attorney General in the debate earlier this year. It was to get away from that circuitous process around minor misconduct. We accept that that happened; no-one is bringing that back today, which is good. But then there was the removal of the word “exclusively”. The changes came into being and a new Corruption and Crime Commissioner was appointed, Hon John McKechnie, QC, former Justice McKechnie. I point out again that in Western Australia and Australia, we refer to former justices as former justices. But in other places, such as the United States, they keep the title of “Justice”—a bit like presidents keep the title of “President”.

Mr C.J. Barnett: Premiers should keep the title of “Premier”!

Mr P.A. KATSAMBANIS: I hear the member for Cottesloe; I think that interjection should possibly be put on the record for posterity!

Hon John McKechnie looked at this matter and in a paper that he delivered at Curtin University, he suggested that the removal of the word “exclusively” may have removed his ability to investigate serious misconduct of members of Parliament, even when a criminal offence had possibly been committed. Parliament retained its privilege to look at the conduct of members of Parliament and in the case of criminal conduct, the police could investigate members of Parliament, a practice that has long been the case. But the CCC could not. The commissioner articulated the issue very well in the paper that he delivered at Curtin University. Some of us quoted parts of that paper in the debate earlier this year on what I will call for the purposes of brevity the confiscation amendment bill. That was the commissioner’s position and it ended up attracting publicity from the media. *The West Australian* ran a headline, “The Untouchables”, which, based on the commissioner’s commentary, may well be the case. Subsequently in the debate on the confiscation amendment bill, the unexplained wealth powers bill, the Attorney General tabled—I thanked him at the time and I thank him again now—the advice of the Solicitor-General, which tended to back up Hon Justice McKechnie’s commentary. It was therefore determined that the term would be put back in the legislation. It should be pointed out that towards the end of the previous Parliament, the former government had picked up on this matter and was working on an amendment to put the word back in the legislation. This is not in any way an us-and-them situation; this is a bipartisan agreement. When the CCC commissioner suggests that some of his powers may have been accidentally removed, we are happy to put them back, and that is why the opposition supports this bill. We do not believe that the CCC should be precluded from looking at these matters and we do not believe that the CCC should be precluded from looking at any serious misconduct of members of Parliament. It should be pointed out that when I refer to “members of Parliament” in this context, I am referring to members of Parliament who are not members of the executive, because ministers, who are members of the executive, are covered under other sections and are not able to walk away from this. We have no problem with any of that. An amendment was in train towards the end of the previous government and now this government has brought it forward. Unfortunately, the minor amendment, the small amendment, was included in a bigger bill earlier this year. I said at the time, and I say it again now, I do not think it was done surreptitiously or with any malfeasance in mind; rather, it was done because it seemed convenient at the time.

The bill at the time, the Corruption, Crime and Misconduct and Criminal Property Confiscation Amendment Bill 2017, primarily dealt with the issue of giving the CCC power to use the unexplained wealth provisions in the criminal property confiscation regime to go after unexplained wealth of criminals—people who may be avoiding the criminal system but who have amassed great amounts of wealth that they cannot explain and that appear to be the proceeds of crime—and confiscate it to punish them, and possibly in the meantime hopefully uncover some evidence that could lead to criminal charges. We did not oppose it; we supported it. They were powers that that Corruption and Crime Commissioner asked for himself and we supported them. But at the time, during the second reading debate on the bill, we pointed out that when parliamentary privilege is amended, parliamentarians get a bit worried and concerned; they get a bit excited about the whole area. Both chambers have their own procedure and privileges committees that look at the procedure and privileges of Parliament. Both of those committees have the most senior office bearers; they are usually headed by the Speaker and the President. I think the Deputy Speaker may be on the Procedure and Privileges Committee.

The DEPUTY SPEAKER: Yes.

Mr P.A. KATSAMBANIS: The Deputy Speaker confirms that she is on that committee. Those committees are certainly taken extremely seriously and they like to inquire into these changes to make sure that there are no unintended consequences. It should be pointed out that when those changes were made in the previous Parliament, the change to section 3(2) of the act was not looked into by any procedure and privileges committee—not the committee in this place and not the committee in the other place. Had those committees looked into it at that time, we might not even be in the circumstance we are in today. I have said before, and I will continue to say, that the procedures of the committees of this Parliament are crucial to its operation—they are crucial to the scrutiny of legislation and they are crucial to ensuring that the work we do in this place is done in the absolute best interests of the people of Western Australia, whom we are here to serve. So, doing the right thing, the procedure and privileges committees would have been looking at the bill that came in earlier this year and would have been totally and utterly unconcerned by 99 per cent of it—that is, unexplained wealth—but concerned about one word, and those other words that used to exist in section 3(2) of the act that had been previously removed. The committees would have been debating and arguing, and collating opinions of the Corruption and Crime Commissioner and the Solicitor-General, as well as other learned opinions from legal scholars who had expressed the contrary view; that is, the inclusion or exclusion of the word “exclusively” may not mean as much as the Solicitor-General or the Corruption and Crime Commissioner might suggest. They would have weighed all that up. In the meantime, it would have delayed the passage of the bill and the handing down of those unexplained wealth powers to the CCC, which would have hampered it in its own critical work of going after these people with unexplained wealth, who most likely accumulated it through non-traditional and illegal means. We, as the opposition, pointed that out. It took a little while in the debate, but to their credit, the Attorney General and the government came to the conclusion that our construction and suggestion that the passage of the bill be delayed were right and so they chose to sever that particular clause from the bill and then that bill had its own passage. As a result of removing that clause from that bill, it has appeared here in essentially what is a one-clause bill. There is only one substantive clause in this bill and it inserts only one word.

Now that it is here, what should happen with this? I have looked at the advice from the Solicitor-General. I have looked at the commentary in that lecture at Curtin University from Hon Justice John McKechnie, QC, and I personally have significant sympathy for the view that was expressed—that the return of the word “exclusively” clarifies beyond doubt that the Corruption and Crime Commission has powers over members of Parliament in relation to serious misconduct. However, as I pointed out in the debate earlier this year, any alteration to parliamentary privilege is something that we should look at carefully because of the very genesis of parliamentary privilege itself. It has really come about to preserve and protect the rights of elected members of Parliament and the people we represent—in this case the public of Western Australia—from excesses of executive government. Whether we are ministers or former ministers—some people in this place may aspire to be ministers—we should not forget that when we come into this place, our primary responsibility and task is to be parliamentarians. We should guard those privileges that first arose out of the Bill of Rights 1688. We are talking about 330-odd years of important privileges. They have changed over the years. They were first codified in this state under the Parliamentary Privileges Act 1891 and the Parliamentary Papers Act 1891. As I said, parliamentarians of all persuasions like to make themselves certain of any changes. Given the history of this provision that I just outlined, it is probably just as important that this be looked at prior to it being given final passage through the houses of Parliament.

That brings us to another dilemma. There are two separate procedure and privileges committees in this Parliament. There is the one here in the Legislative Assembly and there is a separate one over in the Legislative Council. For the majority of procedures in relation to parliamentary procedure, that probably makes sense. Each house is master of its destiny, and should be master of its destiny in relation to its procedure, but in relation to parliamentary privilege, it is parliamentary. Parliamentary privilege is not Legislative Assembly privilege or Legislative Council privilege. Using this tiny amendment that gives rise to questions about changes to parliamentary privilege as an example, imagine if the Procedure and Privileges Committee of this place looked at it and came to one conclusion and then the bill passed, with or without amendment in this place, and went over to the other place and its Standing Committee on Procedure and Privileges looked at it and came to a different conclusion about the impact of the change we are making. Perhaps this highlights the fact that there may be room in the committee structure of Parliament to create some form of joint standing committee that is presided over by the Presiding Officers, or some other format that people agree to, that looks at parliamentary privilege. Having been in both chambers, I understand and agree that we ought to be masters of our own destiny when it comes to procedure. We saw some discussion take place yesterday about the procedures of this place. It was a really good discussion that will lead to a very positive outcome, but I cannot see why we need to do two sets of work on privilege and why there should be any possibility for the two houses to view privilege—which is parliamentary, not chamber based—in different ways. This tiny matter highlights that problem, from a parliamentary perspective. From a procedure perspective, as a parliamentarian, I would have preferred to have a report from my Procedure and Privileges Committee about the impact of this change to parliamentary privilege before I considered and voted on a bill that will make a change to parliamentary privilege. I put that on the record. I know that that is not the intention of the government. The government has the numbers in here, so we can run around and put motions to this chamber about referring it to the Procedure and Privileges Committee but the government, as I understand it—the Attorney General can correct

me if I am wrong—does not think that is necessary so there is absolutely no point in wasting time if it is going to be voted down by the numbers. We know it will go to the other place, we know the make-up of the other place is different and we also know the history of the other place. I probably know it a bit better than most people, apart from the member for Morley who also served in the other place with me in a past life, and we know that this will at least be examined by the Legislative Council's Standing Committee on Procedure and Privileges and it will publish a report. I for one will be interested in seeing what its report states and I am sure many other members of this place will be as well.

That is some commentary on the small "p" procedures that this bill may encounter in its passage through both houses of Parliament. In relation to the change itself, as I said, there are differing views. I have a legal background. Like the rest of us, my view is as valid as most other people and my view tends to concur with the view of both the Corruption and Crime Commissioner and the Solicitor-General. But I know there are other members of Parliament—maybe not in this place; perhaps in the other place—who have a different view. They have a legal background—they are possibly more learned than I may ever be—and consider that this construction that I have accepted as being correct may not necessarily be correct. I will leave that to the other place's Standing Committee on Procedure and Privileges to come to a final determination. But I am 100 per cent with the principle enunciated by the Corruption and Crime Commissioner, Honourable Justice John McKechnie, that members of Parliament should not be seen in any way to be avoiding proper scrutiny of the Corruption and Crime Commission, and so is everyone on the opposition benches. We do not believe that members of Parliament should be above the law or above scrutiny of any kind and we do not believe that members of Parliament should somehow or other not be subject to investigation by the CCC on matters that fall under the purview of the commission. We do not oppose the principle in any way. As I said, it was accepted in the previous government that the changes that had been made in good faith needed to be fixed up in relation to this one little word—"exclusively". I do not want to debate the legal niceties of what would or would not happen if we included "exclusively". I accept the propositions put by the Corruption and Crime Commissioner and the Solicitor-General. The Attorney General kindly made the Solicitor-General's advice publicly available, which has been very helpful in the process. However, the process that we have gone through in the last few months should be instructive to us as we go forward. When we combine different principles in legislation, we are likely to encounter pitfalls so we should not do that. We know that there are reasons for doing that sometimes in omnibus bills and things like that, but when we have two clearly unrelated principles that have different pathways, we should be cognisant of that. It probably would have saved some time. It certainly would have saved some time in the debate on the Corruption, Crime and Misconduct and Criminal Property Confiscation Amendment Bill. I do not think that it would have saved any time in the debate on this bill. This bill always needed to be a standalone bill and always would have been debated in the way that we will debate it here and in the other place over the next few months.

I think it has highlighted the other issue that I raised. Perhaps not in this debate, but in the fullness of time I would be interested in hearing the views of somebody like the Deputy Speaker, who has significant experience in this area—that is, the issue of whether we need two separate committees of the two chambers to look at privilege. I agree that we need two separate committees to look at procedures. But do we need two privilege committees in 2017? My personal view is that we do not. I will leave that for the powers that be to determine. This bill highlights that, and it is important to put that on the record.

In relation to the operation of the CCC, in the debate on the previous bill this year we spent a lot of time talking about the resources that the CCC would devote to the unexplained wealth provisions. As an opposition, we are looking forward to seeing the fruits of the labours of the CCC. I would like to think that we will never have to use the subject matter of the bill before us today in this state. I would like to think that section 3(2) of the Corruption, Crime and Misconduct Act will never trouble the CCC in any way, shape or form in the future in Western Australia. We know the history so I will not trawl over it. It is a potted and sometimes quite shameful history and we hope that it is consigned to history and that, going forward, every parliamentarian will conduct themselves in a way that never raises any of the CCC's alarm bells. We hope that is the case with ministers of the Crown all the way into the future as far as we can possibly contemplate. In supporting this amendment, I hope that it is never used because there is no need to use it.

With those words, I do not think there is any use in me taking up the house's time any further. A lot of my views on this were expressed in the debate on the previous bill. This legislation will be supported by the opposition. As I said, we hope that it never needs to be used. If it needs to be used in the future, we hope that this change clarifies that the Corruption and Crime Commission has the power to do what it ought to do in those sorts of circumstances. We await what may happen to this bill in the other place. Without foreshadowing what it might do, we await the report by the upper house's Standing Committee on Procedure and Privileges so that we can see how this change may or may not affect the powers of the CCC.

MR A. KRSTICEVIC (Carine) [1.55 pm]: I, too, want to comment on the Corruption, Crime and Misconduct Amendment Bill 2017. I indicate my support for all the words said here today by the member for Hillarys, who is the shadow minister responsible for dealing with this bill in this house. Obviously, the opposition supports this bill and its intention and agrees that nobody should be above the law or above investigation or able to undertake criminal activities without being brought to task.

I will cover a couple of different points. Firstly, I also acknowledge the Corruption and Crime Commissioner, Hon John McKechnie, for his contribution in this area and for bringing to the attention of Parliament his concerns about changes that were made previously to section 3(2) of the Corruption, Crime and Misconduct Act 2003 when minor misconduct was removed from the realm of the Corruption and Crime Commission and transferred to the Public Sector Commission. I think that that was the right thing to do because, as I think we all agree, the Corruption and Crime Commission needs to deal with the pointy end and the more significant criminal activities undertaken by potentially more significant individuals in the state.

I want to quickly touch on the “Overview of the Bill” in the explanatory memorandum, which states —

The Corruption, Crime and Misconduct Amendment Bill 2017 proposes an amendment to the *Corruption, Crime and Misconduct Act 2003* (WA) to restore the power and jurisdiction of the Corruption and Crime Commission ... in relation to misconduct by Members of Parliament which could constitute a breach of s 8 of the *Parliamentary Privileges Act 1891* and a breach of the *Criminal Code*.

As I read that, I thought to myself: I will have a closer look at the Parliamentary Privileges Act 1891, and I turned to section 8. Considering that the explanatory memorandum refers to section 8 as an area of concern for the Corruption and Crime Commission, I thought: let us see what sorts of things are included in section 8 and whether they come under an area that might be of interest to the Corruption and Crime Commission. Without reading the entire section, section 8(a) states —

disobedience to any order of either House or of any Committee duly authorised in that behalf to attend or to produce papers, books, records, or other documents, before the House or such Committee, unless excused by the House in manner aforesaid;

I thought that obviously the CCC would not be interested in section 8(a). The disobedience of members is not something that the Corruption and Crime Commission would want to deal with. Then I looked at section 8(b), which states —

refusing to be examined before, or to answer any lawful and relevant question put by the House or any such Committee, unless excused by the House in manner aforesaid;

I thought that the CCC would not be interested in section 8(b) and a member refusing to be examined before the house. Then section 8(c) states —

assaulting, obstructing, or insulting any member in his coming to or going from the House, or on account of his behaviour in Parliament or endeavouring to compel any member by force, insult, or menace to declare himself in favour of or against any proposition or matter depending or expected to be brought before either House;

I thought that obviously that is not an area that the Corruption and Crime Commission would be interested in. It probably deserves a little bit more examination, but this is probably not the right forum to be looking at that. Section 8(d) states —

sending to a member any threatening letter on account of his behaviour in Parliament;

Debate interrupted, pursuant to standing orders.

[Continued on page 5946.]

QUESTIONS WITHOUT NOTICE

MEMBER FOR DARLING RANGE — QUALIFICATIONS

689. Dr M.D. NAHAN to the Premier:

First, I would like to acknowledge the staff and students of Mandurah Catholic College in the Speaker’s gallery today.

The front page of today’s *The West Australian* raises a question mark over the education and qualifications of the member for Darling Range. Is the Premier satisfied that the qualifications on the member’s parliamentary webpage are accurate?

Mr M. McGOWAN replied:

I thank the Leader of the Opposition for the question. I am advised that the Labor Party office is seeking further details from the University of Leeds about the member for Darling Range’s qualifications. I will await the outcome of that before commenting further. I once again remind members that this is a sensitive issue and that the member for Darling Range has been undergoing some medical treatment. I also indicate, as I indicated to the press outside this building, that upon the return of the member for Darling Range, I expect that he will make a full statement to the house.

MEMBER FOR DARLING RANGE — QUALIFICATIONS

690. Dr M.D. NAHAN to the Premier:

I have a supplementary question. The Premier said in the media on 21 November that he had seen a document relating to the member for Darling Range's university degree. Since then, how much further checking has he seen, and has he ascertained whether that document he claims to have seen was accurate?

Mr M. McGOWAN replied:

I cannot really add much more than I said before, other than the fact that the party is seeking further clarification of these matters from the University of Leeds to determine the member's qualifications.

Visitors — Brunswick Junction Primary School Councillors

The SPEAKER: Before the next question, I would like to welcome the student councillors from year 6 at Brunswick Junction Primary School.

CIVIL LIABILITY LEGISLATION AMENDMENT (CHILD SEXUAL ABUSE ACTIONS) BILL 2017

691. Mr M. HUGHES to the Attorney General:

I refer to the legislation introduced today that will lift the statute of limitations for victims of institutionalised child sex abuse.

- (1) Can the Attorney General outline to the house how this legislation compares with legislation in other states?
- (2) What complexities needed to be overcome in order for the government to deliver this legislation and to meet the expectations of victims?

Mr J.R. QUIGLEY replied:

I thank the member for the question. I hope to be able to answer it in short form as we have had the second reading of the bill today.

- (1)–(2) The legislation differs from other states' legislation because all other states now have legislation to lift the statute of limitations. As noted by the Royal Commission into Institutional Responses to Child Sexual Abuse, we are behind the game in that respect. The bill will lift the limitation period for historical sex abuse. Where the legislation differs from and goes a lot further than that of the other states is, firstly, in the identification of the proper defendant. As I explained in the second reading speech this morning, in a historical sexual abuse case, when the authority or the person in authority in a school or institution has changed, died or moved on, the office holder today will be deemed to be the defendant. Secondly, in accessing the assets of the institution, which are often held in a trust or in a corporate entity separate from the office holder, it would be an empty pyrrhic victory if a victim successfully sued the organisation through the correct defendant and then found that the correct defendant, for all the goodwill in the world that he may have, cannot access those assets to pay the judgement amount.

That last aspect, of course, involved rolling back aspects of the commonwealth Corporations Act 2001, which is why the bill is complex. In my second reading speech, I acknowledged by name all those officers in the Parliamentary Counsel's Office, the State Solicitor's Office and the Solicitor-General's Office who have worked so hard over the months to get around these thorny problems. What we delivered into the Parliament of Western Australia this morning is, I believe, the benchmark for this type of legislation in Australia. When I attended the Attorneys General conference in Sydney last week, the other Attorneys were very, very interested, when they heard about what we were doing over here in the west, to see the bill, and I have forwarded it to each of the Attorneys around Australia.

There were a lot of complexities in this. The final complexity—which was not that hard to overcome—was the capping of legal fees so that this will not just become a lawyers' picnic. The fees for lawyers helping victims will be capped at Supreme Court scale; the legal fees will then be superintended by the judge who hears a particular case.

Finally, I might say that on the passage of this bill through Parliament and into legislation the government, through the State Solicitor's Office, will deal with the applications and suits of applicants sensitively and judiciously, so that they are not further traumatised. May it please the house, and I thank the member for the question.

MEMBER FOR DARLING RANGE — SERVICE MEDALS — MEDIA RESPONSE

692. Mr Z.R.F. KIRKUP to the Premier:

I refer to yesterday's Gareth Parker program in which the Premier confirmed his office's involvement in managing the member for Darling Range's media strategy.

- (1) When did the Premier's office start advising the member on his media responses?

- (2) Did the Premier's office draft, or advise the member on, all three different answers in relation to his police overseas service medal?
- (3) Did the Premier's office have any involvement in drafting the member's media response on Saturday?
- (4) Did the Premier's office advise the member to remove his Facebook and LinkedIn accounts?

Mr M. McGOWAN replied:

- (1)–(4) The answer to the last question is no; to the best of my knowledge, no. The answer to the other parts of the member's question is that the issue was brought to our attention—as I indicated yesterday—on, from memory, 8 November. As I said, that night I went to China with a delegation. As I understand it, a journalist from *The West Australian* raised the issue again—either with the member for Darling Range and/or my office; I am not sure—in the intervening period. I am not sure on what day that occurred. My office sat down with the member for Darling Range to discuss his statement and make sure he clarified all the issues that were being asked of him.

That is normal practice. That would have happened when the member for Dawesville was an adviser to the former Premier when members had issues arise in respect of them; it happened a lot. That is normal life in politics. Issues arise in relation to people and they make contact with media advisers, who are more used to dealing with journalists, to make sure there is clarity and precision, as far as is possible, in respect of the information that is provided.

PLAN FOR JOBS — BUSINESS CONFIDENCE

693. Mr T.J. HEALY to the Premier:

With the house's indulgence, I acknowledge on behalf of Minister Tinley the staff and students from the Youth Politics Hackathon, who are here in the gallery.

I refer to the latest business confidence survey by the Chamber of Commerce and Industry of Western Australia, which has found that confidence in the state is at a three-year high. Can the Premier advise the house how business has responded to the McGowan Labor government's "WA Labor Plan for Jobs" and how the job-creating policies of this government encourage and promote business confidence?

Mr M. McGOWAN replied:

I thank the member for Southern River, a very strong local member and strong supporter of jobs in his electorate. It is true that the public overwhelmingly endorsed this government at the last state election. They had confidence in us to create jobs and promote the state's economy. As members might note, I just led a major delegation to China and Japan to promote and leverage our trading relationship with those two important trading partners of Western Australia. What we saw—members will be interested in this—is the Chamber of Commerce and Industry of Western Australia survey of business confidence that came out recently. It indicated that business confidence in Western Australia is at a three-year high. Business sentiment regarding employment has improved dramatically with 23 per cent of businesses expecting to hire workers to expand their workforces and 57 per cent of businesses expecting to keep their number of workers.

The Seek survey of job vacancies showed that in October, Western Australia had the largest jump, in percentage terms, in job vacancies in the country. It was bigger than in Victoria, New South Wales, Queensland and Tasmania. It outstripped the average increase across Australia. Since we came to office, 26 000 additional jobs have been created in Western Australia. Our unemployment rate is now the second lowest in the country after New South Wales. It is lower than in Queensland and South Australia, and equal to Victoria and Tasmania.

Dr M.D. Nahan interjected.

Mr M. McGOWAN: Of course, when the Leader of the Opposition was the Treasurer, our unemployment rate was the worst in the country. It was worse than in Tasmania! That is the Leader of the Opposition's record; it was worse than in Tasmania. I could send the Leader of the Opposition and the former Premier over there to run the place.

This government is undertaking a whole range of tasks including creating jobs; unemployment busting; Metronet rail and road projects across Western Australia; changes to the skilled migration list; and changes to the regional sponsored migration scheme. We have ministers out there every single day hunting down jobs and opportunities for Western Australians. They are working very hard across our state. We have seen a significant improvement in business confidence and employment in Western Australia under this government.

DEPARTMENT OF COMMUNITIES — VOLUNTARY REDUNDANCIES

694. Ms M.J. DAVIES to the Minister for Community Services:

I refer to the minister's comments in 2011 that public service cuts would lead to poorer public services while not saving any money.

- (1) How many jobs will be cut from the Department of Communities as part of the government's plan to axe jobs for 3 000 public servants?
- (2) How many people have volunteered to take redundancies so far?

Ms S.F. McGURK replied:

I thank the member for the question.

- (1)–(2) Regarding the clear target across government for voluntary redundancies, I think that has been pretty widely understood. It was announced in the budget and has been the matter of quite a bit of public discussion—rightly; it is a big decision by this government. We are determined to deliver quality public services, particularly for vulnerable Western Australians. In some of the areas that I have ministerial responsibility for, as the member would know, some very vulnerable families and individuals rely very heavily on the public sector to support them. We are determined to get our budget on track and keep the state budget under control because the only long-term option for supporting communities is to have a viable budget that is under control. We are working through the overall redundancies across all agencies of the public sector, including the Department of Communities. The member would know that three key ministers have responsibility in that department: the Minister for Housing, the Minister for Disability Services and the Minister for Seniors and Ageing; Volunteering. A number of ministers are responsible for the Department of Communities and we will work through the voluntary redundancy process to ensure that we meet our budget commitment by March. There will be 3 000 voluntary redundancies throughout the public sector but we will not impact on frontline services that vulnerable Western Australians rely on.

DEPARTMENT OF COMMUNITIES — VOLUNTARY REDUNDANCIES

695. Ms M.J. DAVIES to the Minister for Community Services:

I have a supplementary question. I note that the minister did not answer the question, but my supplementary question is: given that the minister's strongly expressed view on public sector redundancies is that they will lead to poorer public services while not actually saving any money —

Several members interjected.

Ms M.J. DAVIES: They are her words.

Several members interjected.

The SPEAKER: Members!

Ms M.J. DAVIES: Did the minister's principles go out the window once elected, or did she argue —

Several members interjected.

Ms M.J. DAVIES: Her words.

Several members interjected.

The SPEAKER: People on my right, I will get the member to ask the question again because I could not hear any of it.

Ms M.J. DAVIES: Thank you, Mr Speaker.

Given the minister's view on public sector redundancies, did her principles go out the window once elected or did she argue against this revenue-raising measure in cabinet?

Ms R. Saffioti interjected.

The SPEAKER: Minister for Transport!

Ms S.F. McGURK replied:

As has been pointed out, those people on the other side of the chamber made a decision just recently and continue to make a decision that they would rather see redundancies—ordinary householders in Western Australia pay the price rather than the gold sector pay their share of budget repair.

Ms M.J. Davies interjected.

The SPEAKER: I gave the Leader of the National Party another chance because I could not hear her. Now I cannot hear the answer.

Ms S.F. McGURK: We understand that the only way as a government we will continue to provide good quality public services, support the community sector and support the community itself is if we have a strong budget position. That is what we are determined to have. We have been very upfront about our commitments and we will work through the process to make sure we honour the commitments that we have made and honour the processes outlined in the budget at the same time as not affecting frontline services, as I said, on which vulnerable families rely.

GOLD INDUSTRY ASSISTANCE PROGRAM

696. Mr K.J.J. MICHEL to the Minister for Mines and Petroleum:

I refer to the proposed fair and responsible royalty structure and assistance program announced yesterday.

- (1) What is the average margin for gold operations within Western Australia?
- (2) How will the proposed gold royalty assistance program help marginal operations?

Mr W.J. JOHNSTON replied:

- (1)–(2) I thank the member for Pilbara, who is an excellent representative of his constituents. I thank the member for the question and note that the gold price today is just over \$A1 700 an ounce, and that means the average weighted margin for gold producers in Western Australia is currently \$450 an ounce. Of course, a gold royalty is not a tax. A gold royalty is the price that mining companies pay to extract the gold out of the earth that belongs to the people of this state. It is proposed that the price we sell the gold to the mining companies increase. I am indebted to the member for Churchlands for pointing out that if the original proposal had proceeded, five mines, according to him, were operating at the margin and may have been negatively impacted by that decision. That is why I and the Treasurer have been listening to people in the industry and have adapted the proposal in three serious ways.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr W.J. JOHNSTON: Clearly, the opposition is not interested —

Several members interjected.

The SPEAKER: Members!

Mr W.J. JOHNSTON: It is always extraordinary when we hear these sorts of interjections and think about the members who are making those interjections. I would like to remind people of the calibre of members interjecting. The member for Bateman was too scared to run against the member over here and the Leader of the Opposition, who ran the largest budget deficit in the state's history. These people are now interjecting on the government when we are trying to fix things. As I pointed out, the member for Churchlands —

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition, I call you to order for the first time. I was hoping to get a clean sheet but you never give me that opportunity!

Mr W.J. JOHNSTON: The member for Churchlands pointed out that there are five mines that might have been negatively impacted by the previous decision. That is why every single one of those mines is now protected through the gold royalty assistance program.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr W.J. JOHNSTON: The gold royalty assistance program provides a rebate to goldminers who have an all-in sustaining cost of 85 per cent of the gold price. That means that not one of those mines that the member for Churchlands raised and spoke on behalf of will be negatively impacted by the changes that we are proposing. Those mines will pay the exact same amount of royalties as they are paying today. Not one of those mines will pay additional royalties. So, whatever impact was discussed under the previous idea is completely eliminated by this proposal.

I make another point. Under the last proposal, the \$2 500 an ounce royalty-free arrangement was to be phased out for mines that produce over 10 000 ounces. However, it was recognised that that would have impacted quite severely on certain small-scale miners. So, what has happened is that \$2 500 an ounce exemption will be continued for all miners. That means that the potential negative impact on those small miners is completely eliminated. Those small miners will not be impacted by the proposal.

The final change that has been proposed is to increase the floor price from \$1 200 an ounce to \$1 400 an ounce. That means that the additional five mines that would have been impacted, according to the member for Churchlands, if the price had dropped to below \$1 400 but remained above \$1 200, will also be protected. So, every single mine that the member for Churchlands spoke about in his commentary has been protected by this decision. None of those mines that were raised by the opposition will be impacted by these changes.

MEMBER FOR DARLING RANGE — SERVICE MEDALS

697. Mr S.K. L'ESTRANGE to the Premier:

On 21 November, the Premier said on Gareth Parker's program, in relation to the member for Darling Range, and I quote —

I was away when this story came out, so upon my return I made sure I got in contact with him.

Then a few hours later, in Parliament, the Premier revealed that he became aware of the issue on 7 or 8 November. So I ask: Premier, as a former Navy officer and lawyer, you understand the importance of accuracy in statements. Will you provide a ministerial statement —

Ms R. Saffioti: A grassy knoll!

The SPEAKER: Member, you might be a grassy knoll, but I have got this one. I call you to order, Minister for Transport.

Ms R. Saffioti: Will you do the same to the other side?

The SPEAKER: Member!

Mr S.K. L'ESTRANGE: Premier, as a former Navy officer and lawyer, you understand the importance of accuracy in statements. Will you provide a ministerial statement to outline fully to the house an accurate time line on how you and your office have been handling the concerns regarding the accuracy of the member for Darling Range's education and professional backgrounds?

Mr M. McGOWAN replied:

I mean, I have been answering every one of the opposition's questions as honestly as I can. Members opposite have now asked three questions yesterday and three supplementaries, and two or three questions today, and I assume there will be a supplementary at the end of this. I have indicated to the press that the member for Darling Range will make a statement to the house as soon as he returns. I have answered any question a journalist has asked me about the issue. I have absolutely nothing to hide in respect to it. Members opposite can ask me whatever questions they like, and they can take every question time if they want —

Mr S.K. L'Estrange: Answer it!

Mr M. McGOWAN: I am now answering it. The most important thing is that we let the member for Darling Range recover his health and he returns to the Parliament and makes a statement to the house.

MEMBER FOR DARLING RANGE — SERVICE MEDALS

698. Mr S.K. L'ESTRANGE to the Premier:

I ask a supplementary question.

Ms R. Saffioti interjected.

The SPEAKER: Minister for Transport!

Mr S.K. L'ESTRANGE: Premier, we are interested in a ministerial statement from you so that you can provide confidence to the people of Western Australia —

Several members interjected.

The SPEAKER: Members!

Mr S.K. L'ESTRANGE: I will start again. Premier, how will you provide confidence, without your ministerial statement, to the people of Western Australia that their member for Darling Range's background has been fully checked and that you are satisfied?

Mr M. McGOWAN replied:

Members opposite have their strategy meeting in the morning; they think, "What can we ask?" They have come up with this idea. I think they are actually scraping the bottom of the barrel with this.

Mr S.K. L'Estrange: Have you still got confidence in him?

Mr M. McGOWAN: There you go—you are verballing again.

I will explain it again. I learned about the issue on 8 November. I spoke to the member for Darling Range; I went and sat next to him over there. From memory, his words were that there is not much in it and it is all a big mistake, or something to that effect, and I left it at that. I went away. The issue arose whilst I was away. When I came back I rang him, perhaps at 11.30 on Monday morning. I rang him again at eight o'clock on Monday night, and I have advised the house of the content of those conversations. He will make a statement to the house when he returns. I am not sure when he will return—whether it will be this week, next week or next year. I do not know the answer to that. I just urge members to be a little bit —

Dr M.D. Nahan: Are you going to leave it at that?

The SPEAKER: Leader of the Opposition!

Mr M. McGOWAN: I urge the Leader of the Opposition to be a little bit sensitive in respect of the member for Darling Range.

Several members interjected.

The SPEAKER: Leader of the Opposition, I keep warning you. You ask a question, but you do not do the answer too. If you keep it up, you will not be here much longer.

Mr M. McGOWAN: As to the idea that I am dragging this on, I did not ask the question. I am responding to the question from the Leader of the Opposition. I am answering as honestly as I can. He is a relatively new member of Parliament; he has been here for eight months. He is not an experienced member of Parliament and he is not someone who has a long history of being a parliamentary brawler or anything of that nature. I ask members to show a little bit of sensitivity for him.

The SPEAKER: Before the next question, I called the member for Girrawheen and the Minister for Tourism a little while back, but I never got to do it, so I call them both to order now for the first time.

DEPARTMENT OF HEALTH — STAFF MORALE

699. **Dr A.D. BUTI to the Minister for Health:**

I refer to recent reports detailing the low levels of staff morale in our health system, including at Armadale–Kelmscott Memorial Hospital in my own electorate.

- (1) What is this government doing to engage with our health staff?
- (2) How is this government responding to any concerns raised by staff?
- (3) What does the minister intend to do in the future to ensure that the health and wellbeing of our health staff are looked after?

Mr R.H. COOK replied:

I thank the member for the question and acknowledge his role and concern about staffing issues, particularly at the hospital in his area.

- (1)–(3) As members know, we have made some difficult decisions around staff morale of late. I have called on all the boards of health service providers to be responsive and deliberate in ensuring that we keep staff morale and wellbeing uppermost in our minds at all times. Our health system plays a vital role in underpinning the wellbeing of people in our community. There is no more important task beyond that than keeping up the morale and wellbeing of the people who provide care in those hospitals. We aspire to do better things for our doctors, nurses, midwives and allied healthcare professionals and the support staff who work in the hospitals. That is why we have embarked on a dedicated employee engagement process in the health system. It is about making sure that staff feel valued and feel listened to.

I am pleased to report that over the past couple of weeks I have engaged in a process of staff forums right across the state, with over 1 100 staff participating in the forums. There have been frank discussions dealing with the issues that came forward at those forums. The forums included Royal Perth Hospital, with another five sites included via teleconference—Sir Charles Gairdner Hospital, Rockingham Hospital, Fiona Stanley Hospital and the Western Australian Country Health Service, with 600 staff from the country health service linked in from 21 locations across the health system. We talked to those staff about the issues that concern them and made sure that they understood that although we might not always make decisions that they would agree with, they will always be respectfully communicated, and we will continue to maintain a close link with them and ensure that our ears are open at all times. These forums were a fantastic way of engaging with staff, and we had great feedback in response to them.

In addition to that, we have engaged in a number of statewide staff surveys. We are conducting two system-wide surveys; one in February next year to provide staff with the opportunity to have input directly into the sustainable health review and another online survey in May 2018 to provide an annual benchmark feedback mechanism so that we can continue to monitor and make sure that we are improving our performance in maintaining staff wellbeing and happiness in the workplace. We will be undertaking that on a regular basis so that rather than boards having to continually respond to crises that are reported from time to time, we meet the needs of the patients as those issues emerge. This is a really positive issue. We are taking health beyond the question of simply being the bricks and mortar of hospitals and starting to address the concerns of people who deliver the care in those hospitals. It is a positive development and one that I hope will continue to improve the wellbeing of staff in our community.

WATER CORPORATION — WASTEWATER SPILL — DENMARK RIVER

700. Mr D.T. REDMAN to the Minister for Water:

I refer to the recent wastewater spill into the Denmark River due to Water Corporation infrastructure breakdown and the minister's comments when in opposition that breakdowns are a product of cost pressures on maintaining key infrastructure. Does the minister still believe that wastewater infrastructure is at risk due to maintenance cost pressures or has it miraculously improved since March?

Mr D.J. KELLY replied:

I thank the member for his question. I am aware of the spillage that he referred to. I can assure the member that the management of the Water Corporation see the change of government as being both refreshing and stimulating. The relationship between executive government and the Water Corporation has improved immensely since the change of government. We are having many productive discussions on a range of issues, including performance in regional areas. I note that under the previous minister, who is sitting next to the member, at one point the Water Corporation lost over 100 regional jobs in about two years.

Ms M.J. Davies: I don't think you are in a position to be talking about job losses when you've got 3 000 looming between now and March, minister—3 000 public servants.

Mr D.J. KELLY: The Leader of the National Party is complaining: "Don't talk about job losses." She knows full well that the Water Corporation, during a very short period under her stewardship, lost over 500 jobs across Western Australia, 100 of which were in regional Western Australia.

Ms M.J. Davies interjected.

The SPEAKER: Do you want to say something, Leader of the National Party? I call you to order for the first time.

Mr D.J. KELLY: I can assure the member for Warren–Blackwood that there has been no reduction in the levels of funding in capital works in regional areas since we came to government. As I said, the relationship between executive government and the Water Corporation is far healthier now than it was under the previous minister. However, we are dealing with the financial position that the previous government left us in. If the Nationals want us to spend more money in regional Western Australia through the Water Corporation or anything else, the best thing they can do is support the gold tax increase that we have put forward. They cannot lecture us about the standards of public services in the bush while they continue to support the very lucrative goldminers ahead of the mums and dads and services in the bush.

WATER CORPORATION — WASTEWATER SPILL — DENMARK RIVER

701. Mr D.T. REDMAN to the Minister for Water:

I have a supplementary question. How can the minister justify to the people of Denmark that this will not happen again when his government is taking record revenue from the Water Corporation cash cow?

Mr D.J. KELLY replied:

Again, I am so surprised that the member for Warren–Blackwood asked that question.

Mr D.T. Redman interjected.

The SPEAKER: Member for Warren–Blackwood!

Mr D.J. KELLY: Mr Speaker, I would like to answer the question, but there seems to be some creaking from the chairs opposite.

The price increase that we put in place in the Water Corporation in the budget that has been handed down this year is exactly the same as was in the forward estimates for the previous government. We are dealing with the price path —

Mr D.T. Redman interjected.

Mr D.J. KELLY: Again, Mr Speaker!

We are dealing with the financial mess that the previous government left behind. It is the height of insincerity for the member for Warren–Blackwood to ask this question. That wastewater treatment plant has been there for a long time. It has been there all the time that he has been the local member and it was there when he was the Minister for Water. If the member has worries about the standard of that facility, he should have fixed it while he was both the local member and the minister.

AUSTRALIAN TOURISM EXPORT COUNCIL — MEETING PLACE

702. Ms C.M. ROWE to the Minister for Tourism:

I refer to the 2017 Australian Tourism Export Council Meeting Place, which, for the first time, washeld here in Perth. This event brought more than 400 tourism leaders to Western Australia. Can the minister inform the house why this event is so important for the Western Australian tourism industry, and what opportunities this event provides for local tourism operators?

Mr P. PAPALIA replied:

I thank the member for Belmont for that excellent question! ATEC Meeting Place is a tremendous opportunity for Western Australia and Western Australian tourism. I was at the beautiful Crown Towers hotel this morning, where some 400 inbound tourism operators and online marketers from right around the country —

Mr C.J. Barnett: When you were in opposition, the Labor Party argued against Crown Towers.

Mr P. PAPALIA: No. It is a wonderful event.

Several members interjected.

The SPEAKER: Member for Cottesloe, it is not a history lesson.

Mr P. PAPALIA: It is a wonderful event, which we welcome as a government. It was a pleasure to speak there and to welcome to this event the national chairman of ATEC, Denis Pierce; the national managing director, Peter Shelley; the entire ATEC board; and hundreds of inbound tourism operators and online tourism marketers from around the country. I was able to tell them that it is an exciting time in Western Australia, partly because of our efforts and moves to rectify the neglect of the tourism sector under the previous government. I was able to tell them that we are reversing the ill-advised decision of the previous government to cut marketing representation on the east coast. We are now going to re-establish a marketing representative on the east coast to tell people about the affordable and quality opportunities in the hotel market in Western Australia for people from the east coast holidaying here. I was able to tell them how neglected the Chinese market was in Western Australia under the previous government. They know that we get only about four per cent of inbound Chinese visitors. In every other jurisdiction in this country, Chinese visitors are number one or two, while here they are only fifth. It represents a huge opportunity, but we have to get direct flights. I told them about the Premier's efforts in leading a trade delegation on tourism and international students to China only last week. That was well received. This Meeting Place conference has been held outside Sydney on only two occasions, and this is the second. This gives the attendees the opportunity to witness what is here in Western Australia, what we are doing to boost tourism and how a growing wave of tourism benefit is coming to Western Australia thanks to the new government. We will fix the problems. We will rectify the neglect that the previous government demonstrated.

MEMBER FOR DARLING RANGE — QUALIFICATIONS —
WESTERN AUSTRALIA POLICE FORCE APPLICATION

703. Mr P.A. KATSAMBANIS to the Minister for Police:

This is a question of which the minister has already been provided some notice.

- (1) Has the minister asked the police commissioner to review the application of the member for Darling Range when he applied to join the Western Australia Police Force; and, if so, on what date?
- (2) Has the minister asked what qualifications the member included as part of his application?
- (3) Was a Bachelor of Arts (Honours) from the University of Leeds included as part of the qualifications offered as part of the member's application?
- (4) Did the application include service in Bosnia with the International Criminal Tribunal for the former Yugoslavia, or any service in Cypress or Namibia?
- (5) Has the commissioner identified any anomalies associated with the application; and, if so —

Several members interjected.

The SPEAKER: Members, I want to hear the question!

Mr P.A. KATSAMBANIS: I will start that part of the question again —

- (5) Has the commissioner identified any anomalies associated with the application; and, if so, will the minister advise on the nature of those anomalies?
- (6) Will the minister table the application of the "former" member for Darling Range?

Several members interjected.

The SPEAKER: Members, you have your own minister on her feet.

Mrs M.H. ROBERTS replied:

I thank the member for Hillarys for some notice of that question and I advise as follows.

- (1)–(6) Yesterday, I asked my office to make informal inquiries as to what would be appropriate with respect to access and review of the member for Darling Range's personnel file, and how readily accessible that file would be. Contrary to statements by the former commissioner on radio this morning that that information would be held at the WA Police Academy and readily available, the advice provided to me late yesterday

was that given that the member for Darling Range had ceased his service with WA Police in 2012, that information was all stored at Iron Mountain. Some members will know what Iron Mountain is; some will not. Iron Mountain is where all government old records are stored, and they need to be retrieved from there. That is where the record is.

Today, I have again spoken to the Commissioner of Police, and he is seeking further advice regarding the matter. He is taking steps to secure the file and he is taking further advice as to what else is appropriate.

I note that the final part of the member's question is whether I will table the application for the member for Darling Range. I caution members opposite as follows. I wonder whether, if questions were raised about any aspect of the member for Kalgoorlie or the member for East Metro for One Nation in the upper house or, indeed, the former member for Murray–Wellington and their service or their personnel files or matters that are contained therein, they would think that there would be elements there that I should be tabling in Parliament and debating here. I appropriately sought advice from the commissioner's office yesterday as to the probity of these matters, and he is taking further advice on the matter, too. I expect that I will get further advice from the Commissioner of Police in due course.

**MEMBER FOR DARLING RANGE — QUALIFICATIONS —
WESTERN AUSTRALIA POLICE FORCE APPLICATION**

704. Mr P.A. KATSAMBANIS to the Minister for Police:

I have a supplementary question. Is it unlawful for a person to falsely misrepresent their service record or falsely wear medals; and, if so, has the minister referred the member for Darling Range to the appropriate authorities?

Point of Order

Mrs M.H. ROBERTS: Mr Speaker, standing order 77(2) states that members should not ask questions that seek a legal interpretation and I ask for your ruling on that matter.

The SPEAKER: That is out of order.

HORIZON POWER MYPower TRIAL

705. Ms J.J. SHAW to the Minister for Energy:

I refer to this government's commitment to electricity pricing reform that was demonstrated last week in Broome by the launch of Horizon Power's MyPower trial. How will this trial assist in improving the affordability of electricity for regional consumers and reduce future network costs for Horizon Power, and is there potential for this scheme to be expanded across the state?

Mr B.S. WYATT replied:

That is a good question. I thank the member for the question. Indeed, as has been shown, Mr Speaker, this government has an appetite for tariff reform, because it is an important part of managing our electricity system. Last week, I travelled to Broome and was joined by the member for Kimberley to announce the latest on tariff reform.

Dr M.D. Nahan: It's a very good reform.

Mr B.S. WYATT: It is a very good reform, but, unfortunately, the previous government could never get it done. It just could not get it done!

Dr M.D. Nahan interjected.

Mr B.S. WYATT: I will take that interjection, Mr Speaker. Whether it be Synergy or whether it be Horizon, it just could not get it done! Thankfully, we have a government and we have a minister very keen to do tariff reform, as we have done with Synergy, which the Leader of the Opposition said was fair and required.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition, I call you to order for the second time.

Mr B.S. WYATT: The Leader of the Opposition said that it was fair and required but he never had the bottle to actually do it. We have done it; and, as a result, I have also done it with Horizon. I think the people of Broome will be very happy with what the McGowan Labor —

Dr M.D. Nahan interjected.

The SPEAKER: I call the Leader of the Opposition for the third time. You just do not keep interjecting.

Mr B.S. WYATT: I think the people of Broome will be very happy with what the McGowan Labor government is doing because the MyPower trial is a very good trial, and hopefully it will solve the international conundrum of

how to price the peak. The trial in Port Hedland, member for Pilbara, showed that with the right incentives and pricing scheme we can change the behaviour of consumers of electricity and, as a result, drive down power bills. We are now rolling that out in Broome and we are asking the people in Broome who want to be on the trial to contact Horizon Power through its website or indeed by way of a phone call. Effectively, those who participate in this trial will pay a higher price for the fixed charge component. I refer again to the decision that the government made about Synergy's fixed price, which the former government was unable to do. That fixed price will better reflect the current cost to supply electricity and importantly, therefore, a lower variable tariff will also be applied. As part of that, a free app will be provided by Horizon to those people on the trial so that they can see when they consume, how they consume and how much they consume at particular points in the day and make decisions about consuming off peak.

This is a very good decision. It is a very good program and it is the sort of thing that I would like to see rolled out on the south west interconnected system. It is very hard because ultimately the former government really did not do much in energy in eight and a half years. You did not do much at all, Mike, and that is the reality.

The SPEAKER: Member, you will call the Leader of the Opposition by his title.

Mr B.S. WYATT: I apologise. That is the reality, Leader of the Opposition. He talked a big game in energy but, unfortunately, delivered very little. It is interesting that the Leader of the Opposition is making some interesting moaning noises from across the chamber. I assume it is because of his delight that I am finally doing what he could never do; the immense satisfaction he has in watching the government get on with doing things. I am delighted that the happy ending is going to be lower power prices for those on the trial in Broome. Hopefully, we can roll that out further and, in due course, through the decisions that this government is making about the regulatory regime of Western Power and tariff reform in Synergy, we will see it rolled out on the south west interconnected system.

MEMBER FOR DARLING RANGE — SERVICE MEDALS

706. Mr S.K. L'ESTRANGE to the Minister for Veterans Issues:

I refer to the minister's comments about the member for Darling Range in yesterday's *The West Australian*, dated 21 November, and I quote —

“Let's be really clear about this, his service is not in question ...

Can the minister outline why he is so confident that his service is not in question?

Mr P.C. TINLEY replied:

Thanks for the question. Finally, the opposition has asked it in the right space of the right person at the right time for once. I am more than happy to address the issue of my good mate Barry Urban, the member for Darling Range. Let us be really clear about one thing: regardless of his missteps and the missteps of any other human in this chamber, we stick by our mates. There are people from the Labor movement constantly with him, all day and all night, to ensure that our mate is right. You over there want to have a long, hard think about the way you are conducting yourself and whether you are, on reflection, acting in an honourable way towards another human being. How you are conducting yourselves towards another human being —

Several members interjected.

The SPEAKER: Members!

Mr P.C. TINLEY: There is no problem whatsoever in asking me a question about statements that I have made; I am more than happy to answer that. The Premier's been around for a long, long time and has shown himself to be very adept at taking all your muck. I can tell you that I stand by the comments I made in the paper yesterday; that is, I honour his service. What is not in question is his service in the UK defence force, the UK police force and the Western Australian police service. He has worn the uniform of two countries in three different services—let us treat that human like that.

MEMBER FOR DARLING RANGE — SERVICE MEDALS

707. Mr S.K. L'ESTRANGE to the Minister for Veterans Issues:

I have a supplementary question. Was the minister's response, which was quoted in the paper, based on his own judgement or on advice from the Premier's office?

Mr P.C. TINLEY replied:

Really simply, unlike many members opposite who operate on innuendo and rumour, I operate on my own agency and I form my own opinions for my own relationships with my side, unlike the opposition and the split that it has between its members—frontbench to backbench, Nationals to Liberals. You are just a bucket of rubbish.

The SPEAKER: That is the end of question time.

MEMBER FOR DARLING RANGE — SERVICE MEDALS — MEDIA RESPONSE*Question without Notice 692 — Supplementary Information*

MR M. McGOWAN (Rockingham — Premier) [2.50 pm]: I rise under standing order 82A. I was asked a question by the member for Dawesville. I would just like to clarify. I have been advised that my office was not involved in drafting the member for Darling Range's statement that was released on Saturday. My office was provided with a draft statement to note and check the grammar on Saturday morning prior to its release.

PUBLIC ACCOUNTS COMMITTEE

*Inquiry into the management and oversight of the Perth Children's Hospital project —
Extension of Reporting Date — Statement by Speaker*

THE SPEAKER (Mr P.B. Watson): I have received a letter dated 21 November 2017 from the Chair of the Public Accounts Committee, advising that the committee has resolved to extend the reporting date for its inquiry into the management and oversight of the Perth Children's Hospital to 22 March 2018.

EDUCATION PORTFOLIO*Matter of Public Interest*

THE SPEAKER (Mr P.B. Watson) informed the Assembly that he was in receipt within the prescribed time of a letter from the Leader of the Opposition seeking to debate a matter of public interest.

[In compliance with standing orders, at least five members rose in their places.]

DR M.D. NAHAN (Riverton — Leader of the Opposition) [2.51 pm]: I move —

That this house expresses concern at the state government's handling of the education portfolio and undermining the quality of education for Western Australian children.

I want to make three arguments. Firstly, the government is politicising and misallocating both capital and recurrent funding to the education system, both for its political aims in marginal seats and to help its union mates. The government is also, through stealth, winding back the independent public school system.

Several members interjected.

The SPEAKER: Members!

Dr M.D. NAHAN: There is no other area of policy that the Liberal and National Parties are more proud of than our work on education. Let me go through it: independent public schools —

Mr D.J. Kelly interjected.

Dr M.D. NAHAN: Yes, we will go into that.

I continue. There was the student-centred funding model, moving year 7s to high school, a new Western Australian Certificate of Education system, vocational education and training expansion, \$3 billion worth of additional capital investment in schools, 46 new schools and 15 other schools—we upgraded them. That is twice the level of the previous Labor government. There were 1 890 additional full-time equivalent teachers and 2 500 additional education assistants.

Ms S. Winton interjected.

The SPEAKER: Member for Wanneroo!

Dr M.D. NAHAN: That is 2 500. That makes the ratio of students in need to an EA 50 per cent higher than the national average.

Mr D.J. Kelly interjected.

The SPEAKER: Minister for Water!

Dr M.D. NAHAN: I know that the Labor Party went around and told a bunch of porkies about education assistants. The fact is that we expanded the number of education assistants by 50 per cent, or 2 500. We also focused on reducing administration costs. We reduced head office FTEs by over 600 people. The proof is in the pudding. When we came into government, many public schools did not have teachers, and students and parents were fleeing the public system for the private system. We turned that around, with the share of students going to the public system expanding year on year in recent times. We turned the rot around in the educational system. We also did not allocate capital spend according to politics like this government is. We spent and put the money into a long-needed reform of Hamilton Hill and South Fremantle Senior High Schools—something the people opposite claimed, but that we did.

Ms S. Winton interjected.

The SPEAKER: Member for Wanneroo.

Dr M.D. NAHAN: There were two schools in Ellenbrook —

Several members interjected.

The SPEAKER: Leader of the Opposition, could you talk through the Chair, please. Members, I want to hear this in silence.

Dr M.D. NAHAN: We invested in two schools in Ellenbrook and one in Armadale where student demands and needs were, rather than the politics and the union demand.

Mr M.P. Murray interjected.

The SPEAKER: Minister for Sport and Recreation, I call you to order for the first time.

Dr M.D. NAHAN: The Deputy Leader of the Opposition will go through staff cut policies in the public sector. During the election campaign, Labor said there was about \$200 million of unallocated money in the education budget, particularly for primary schools. The Liberal Party has a long history in education to ensure, especially with a fast-growing state, that schools are allocated according to growth areas and demand for students, particularly primary schools. That was about \$271 million. The Labor government took the money that was designated for certain schools by the Department of Education, as outlined in the budget, and reallocated it to marginal seats. It was not necessarily allocated to areas of educational need—some, but not all—it was allocated and used as a political tool to gain favour in marginal seats. That was done for both primary and secondary schools. In this year's budget, the government increased the overall capital expenditure on schools but it took the money from other allocations and reallocated it for political purposes. Over time, it is misallocating resources in the educational system and as a result schools in need of maintenance or construction will increasingly come to opposition and government members to illustrate the misallocation. I highlight that, but it may take some time.

One of the government's major initiatives was 300 additional education assistants. The Labor Party claimed the former government cut the number of education assistants. The fact is that there were 2 500 additional education assistants in our public school system. By a long margin, that was the highest staffing level of any state. So, it was a false claim. The Labor Party identified no need for the additional education assistants, which will cost in the vicinity of \$40 million. The government will have to raise more taxes to cover that, and that is not the only thing. The first motivation for the additional education assistants was that they are necessarily members of United Voice.

Mr D.J. Kelly interjected.

Dr M.D. NAHAN: That is true. It was giving United Voice 300 new members. It also introduced a wages policy that shifts their increase from 1.5 per cent to \$1 000. As a result, the government gave the education assistants \$12.5 million worth of additional wages. Its wages policy was skewed to help United Voice. Not only that, the government has hired United Voice to provide induction training for the 300-plus EAs that it hired. What it is doing, of course, is taking government money and giving it to one of the largest funders of the Labor Party—United Voice—to hire it to do the induction training for 300 people who the taxpayers are paying \$40 million a year to hire, and who are not needed. What does United Voice do with that money? It funds the Labor Party!

Mr D.J. Kelly interjected.

Dr M.D. NAHAN: No, that is the truth.

The second motivation is independent public schools. The State School Teachers' Union of WA is quite clear that it never liked the IPS model. The Labor Party initially did not like the IPS model. Publicly, it came out and said that it was a good idea. The reason for that was it got mugged by reality and by the parents. The model was overwhelmingly popular and successful under our leadership. Pat Byrne has made it clear in the negotiations the government is having with her union—I think the enterprise bargaining agreement is up for negotiation now, or very shortly—that the changes this government put in place are, I quote her, "the first step of winding back IPS".

Firstly, the government has indicated clearly and directed that principals must seek to hire staff from the pool. One of the most fundamental aspects of independent public schools is that principals have the right to hire staff.

Ms S. Winton interjected.

The SPEAKER: Member for Wanneroo!

Dr M.D. NAHAN: They choose their staff according to the needs and character of their school. It has been overwhelmingly popular and successful.

Ms S. Winton interjected.

The SPEAKER: Member for Wanneroo, last warning.

Dr M.D. NAHAN: Last warning! The edict from on high from the new Minister for Education and Training is that principals must seek to take people from the pool of redeployment in the first instance. The Premier said that a large number of those people in redeployment are women coming back from maternity leave. That is false. When

women have to and choose to take maternity leave, they do not get fired to sit in the office of redeployment. They take maternity leave for the period required and the school gets a temporary fix. Their position is maintained and they go back into substantive positions. That is just another illustration of the former Minister for Education either misleading Parliament or not understanding his former portfolio. Principals of IP schools must seek to find staff from the office of redeployment and the assessment must focus on the staff member's ability to undertake the role—that is, the staff member must have a degree in the appropriate area and a level of seniority—not competitiveness. The edict from on high states that it is not appropriate to compare the competitiveness of staff referred from the redeployment pool with other staff. In other words, they must take staff from the office of redeployment even if they are not the best and not competitive. They also say that if the person from the office of redeployment needs further training—they must not necessarily be competitive—training must be provided to them. This is a clear attempt to undermine the core benefit of the IPS—that is, to give the principal of the IPS a one-line budget to choose the staff that they need.

Another attack on the IPS is that the government requires principals to provide permanency. In the past, principals have been allowed to hire staff for temporary purposes for whatever person they think is appropriate and necessary. The edict from on high is that they must now hire for permanency. Also, the agreement with the 300-plus education assistants is that they must be given permanency not to the education system but the school so that when most of the education assistants are hired to provide services to students with specific needs, when those kids move on, the EA stays, irrespective of the requirements. The government has done two things: it has told the principals who they can hire and it has forced them to hire with permanency. It is undermining two of the most important aspects of independent public schools, and this is being driven by the government's negotiation with the State School Teachers' Union of WA. The State School Teachers' Union has made it absolutely clear that in the negotiation of the enterprise bargaining agreement, it intends to systematically undermine independent public schools. It made that clear and the signs are that it is working quite effectively. One of the major reasons we have had regeneration and an increase in the market share to the public school system is that we have had growth, reinforcement and improvement in some of the larger secondary public schools—about seven or eight of them; actually, more than that—in which the numbers have grown dramatically and parents are choosing —

Ms S.E. Winton: They can't afford it!

The DEPUTY SPEAKER: Member!

Dr M.D. NAHAN: —to send their children to these excellent public high schools rather than to private schools. They are doing this for a reason; the schools are high quality. They have gifted and talented programs, diversity, and the scale to provide a range of educational experiences for kids across a range of educational abilities. In government, we reinforced and rebuilt many of these schools, expanded the GATE programs, and put in a student-centred funding model to add money for special needs students, and it paid off. This government is systematically pulling money away from those major high schools—both capital and recurrent—reallocating some money to other schools and allocating other money to reduce expenditure. The result will be—we will watch over the next four years—that those leading schools will increasingly struggle to compete with the private sector school system. As many members know, two of those schools are in my electorate, but there are many around. They are the cornerstone of the regeneration of our public school system and the government is hammering at them, taking money out of them, curtailing the ability of their principals to hire the best, telling the principals that they must have permanency and taking away flexibility. It is removing from all those schools over \$1 000 a child in excess of 1 200 students.

It has removed \$1.3 million from Willetton Senior High School, \$1 million from Rossmoyne Senior High School and over \$2 million from Churchlands Senior High School. Those schools have excellent principals and they will try their best to adapt, but it will mean fewer teachers, fewer courses offered, less variety and less ability to compete with the private school system. One member yelled out, "They can't afford it." Those schools provide education to children from families who cannot afford to go to private schools. They are the primary gateway for children from poorer families to go up the educational aspirational elevator. They provide the access to education for children from families on lower incomes and provide access to university and beyond. They are a major pathway and the government is chipping away at them steadily and purposely.

Independent public schools were probably the jewel in the crown of the Liberal–National government. It was a successful reform. The government inherited a system that had been reformed. It was well funded, well invested in and structured properly. It was the envy of all other states. Now, just a few months in, it is undermining that. We warn the government that we are watching it and the public will too.

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [3.08 pm]: I, too, rise on this matter of public interest. I think it is really important that we get on the record what our government inherited in 2008. Members in this house will no doubt remember the OBE disaster. Do members remember outcomes-based education? What an absolute disaster! It caused confusion —

Ms S. Winton interjected.

Mrs L.M. HARVEY: Member for Wanneroo, you are more annoying than crows around a dustbin! Quit it with your inane interjections!

We had the outcomes-based education debacle.

Ms R. Saffioti interjected.

Mrs L.M. HARVEY: We had the now Premier, who was then the Minister for Education, presiding over a regime that saw Western Australian teachers as the lowest paid teachers in the nation.

Ms R. Saffioti interjected.

Point of Order

Mr S.K. L'ESTRANGE: The Minister for Transport continues to interject on the member for Scarborough while she is on her feet and I ask that we be able to listen to the member in silence.

The DEPUTY SPEAKER: I do not think that is a point of order. It might be annoying, but it is not the basis for a point of order.

Debate Resumed

Mrs L.M. HARVEY: We had the lowest paid teachers in the nation. We started 2007 with 270 classes without teachers. We could not get teachers because they were not valued by this Premier, and we are headed down the same trajectory with this government. In 2008, 1 000 classes across 320 schools had more students than the Department of Education guidelines recommended. The State School Teachers' Union of WA and parents were going ballistic about that. The Toomey report that was commissioned by the now Premier gave the government advice on how to correct the disaster and the crisis in education. The former Labor government paid \$480 000, but the now Premier refused to release it under a freedom of information request until, finally, there was a gas crisis and the entire metropolitan area had a blackout. Then in the dead of night, in the middle of darkness when people could not turn on their TVs because they had no power, the Toomey report was released. What an act of absolute skulduggery. We had the lowest paid teachers in the country.

The now Premier came to a meeting of parents and teachers at Deanmore Primary School in my electorate. An entire block at Deanmore could not be used because every person who walked into those classrooms ended up with headaches and nausea. It was full of fungus and no-one could work in it so an entire school block was closed down. The principal of Deanmore Primary School was sitting at her desk and a chunk of concrete fell out of the wall and onto her desk. That was the state of the education system that the Liberal-National government inherited in 2008, and look at where it is now.

To give members an idea of where we are up to, in 2012–13 there were 20 583 teaching staff. Now that figure is at nearly 23 000. When we embarked on a scheme to improve efficiencies in the Department of Education, we looked at reducing the number of administrative staff. We ran a program so that from 2012–13 to 2016–17 we reduced the number of administrative staff by about 10 per cent.

Mr P. Papalia interjected.

Mrs L.M. HARVEY: It is interesting that the Minister for Tourism interjects about education assistants, because the number of support staff, which includes clerical staff and education assistants, went from 9 885 in 2012–13 to 11 127. It is a bigger number, member. That is not a cut; 11 127 is more than 9 885. When a number gets bigger, it is not a cut. This government says it will achieve these savings in education by reducing the number of administrative and clerical staff in head office. Let us look at who they are. The administrative and clerical staff component comprises 1 174 full-time equivalent positions, 693 of whom are looking after schools. They are on the front line, so they cannot be cut. That leaves 954 FTEs in central strategic and corporate services. We have to lose 800 of the 954 jobs from corporate services. That will leave 154 people in central strategic and corporate services to support our entire school and education system—154. Gee, I hope the government pays them well. But guess what? It will not be paying them well. Who is bearing the brunt of the wage freeze? We are heading back to the dark days of 2008 when our teachers were the lowest paid teachers in the country.

We had a wages freeze for teachers. Guess how much that will cost? Guess how much money the government is taking out of the pockets of teachers over the four years to 2021? It is \$153 840 000. Thirty per cent of the savings from the government's wages policy are going to come from our teachers—\$154 million out of the pockets of teachers over the next four years. We are heading rapidly to the dark days of 2007–08, which the now Premier presided over when he was education minister, when we were desperately advertising in New South Wales, Queensland and Victoria for retired teachers to work in Western Australia—for anyone to come and stand in front of a classroom in Western Australia—because there were 270 classrooms with no teachers. At the opening of the 2008 school year, 18 teachers were absent from one high school—18 classrooms in one high school without a teacher! If we do not pay people properly, they will not want to stay in the system. Let us have a look at this absolute folly.

Several members interjected.

Mrs L.M. HARVEY: Let us examine —

Mr D.J. Kelly: Which school were you at, member for Dawesville?

Mrs L.M. HARVEY: That interjection is really interesting. The member for Bassendean talks in this place about discrimination and equal opportunity, but all we get from those opposite when our outstanding member for Dawesville gets on his feet is they call him a boy! How condescending and appalling! He is a member of Parliament in this place.

Several members interjected.

The DEPUTY SPEAKER: Thank you.

Mrs L.M. HARVEY: The member for Dawesville has been elected by the people of Dawesville and he deserves to be treated with respect as a member of Parliament in this place. The condescending remarks of the member for Bassendean demean him, but we have become used to him behaving in that fashion.

[The Speaker took the chair.]

Mr D.J. Kelly: What have I said?

The SPEAKER: You have said one word too many. I call you to order, Minister for Water.

Mrs L.M. HARVEY: We now look at the folly of this government in thinking that it is going to achieve these redundancies through a voluntary separation scheme. Underpinning the government's return to budget surplus is a voluntary redundancy scheme, so let us look at the process for someone who wants to seek redundancy in the public sector. I will go back a bit. Only 282 individuals in the Department of Education took up the offer of redundancy of the 800 that were required. I would have thought that is a pretty slow uptake. If the government wants to achieve 800 redundancies by 30 June, it will have to come up with something else. The Minister for Education and Training in the other place has said there will be no forced redundancies. She may or may not be accurate, but if the government needs to go to a forced redundancy scenario, it will not achieve that number by June next year. The forced redundancy scenario requires, first, an offer of voluntary redundancy. An employee has to be declared as surplus to requirement. The employee then has to be notified of the date on which they will become a registrable employee, and voluntary severance must be offered. If the employee declines that, the department has to request that the Public Sector Commissioner register the employee for redeployment. They must then be registered for redeployment and pursue redeployment options. If unsuccessful, at six months from registration they will receive a notice of involuntary severance. That is a very truncated, minimum process of about eight months for a person who wants to embark on the involuntary redundancy process.

Mr D.J. Kelly interjected.

The SPEAKER: Minister for Water!

Mrs L.M. HARVEY: We know clearly from the uptake of the voluntary redundancy scheme so far that the government is not going to achieve the 3 000 job losses from the public sector that it needs to balance the budget books. What will that actually mean for education? I am gravely concerned. I see a government that was elected on a promise to look after education and teachers, to look after police officers with a pay rise of 1.5 per cent that they will not get, and to ensure that there would not be any public sector job cuts. The Labor Party was elected to govern this state after it went out to the community and said a whole bunch of things that it was and was not going to do. It then got into government and thought that if it took the trash out and got all the hard stuff done in the first year, people will have forgotten in four years' time and it might get another gig and another crack at it. But people in Western Australia are coming to realise that they were sold a pup. Teachers know that they are on a trajectory to be the lowest paid teachers in Australia, because it has already started to happen, with \$154 million coming out of the pockets of teachers over the next four years. If the government reduces corporate support staff in the Department of Education down to 154 people, schools are not going to have the administrative support they need to be able to run and the schooling system will collapse and fail.

We know from the past actions of the now Premier that he does not respect people who work in the education sector; we know that from the way he treated people when he was education minister. I will never forget the day I formed my view on the now Premier. It was the day he visited Deanmore Primary School in my electorate. Instead of standing there and listening to my community and my teachers at my school, which was falling down and full of fungus, and saying, "Yes, you have a problem here", he stormed off in a huff and jumped into a vehicle, with the P&C president and a dozen teachers and students running after him. This was after he had actually said to teachers, "You want to be careful about where you're seen protesting."

That is what he said at that time, and that is my lasting impression of what the now Premier thinks of education. When the government for months and months sits on a report that provides solutions for bringing the education system in this state up to the standard at which it should be, and then releases it in the middle of a gas crisis, we know we are seeing a very sneaky way of doing business. We have seen that with the government's broken promises and we have seen it with the ridiculous urgent bills that have been brought through this place so that the government can get a media sugar hit when it has a problem it needs to cover up.

We will watch and make sure that the Western Australian community understands every single one of this government's broken promises. It promised not to increase electricity prices and not to cut the number of public servants. It promised it would not affect education and sack teachers, but it is embarking on this strategy to the detriment of the community of Western Australia, contrary to what it told the community to get elected.

DR A.D. BUTI (Armadale) [3.22 pm]: I would like to make a few points in my contribution to this debate. The member for Scarborough just claimed that the Premier attaches no value to education. He appointed a standalone Minister for Education and Training, and I think it is the first time in a long period that we have had a standalone Minister for Education and Training; that is the importance he attaches to the education portfolio.

To put this into some context, I am a former schoolteacher and I sit on the boards of eight of the schools in my electorate, so I think I have a reasonably good knowledge of how schools are operating at the moment. I sit on the boards of five primary schools and three high schools, including the Armadale Education Support Centre. I have sat on those boards for a number of years; I have seen them operating under the previous government and under the current government. Many of the allegations or accusations that have been made during this debate by the two speakers on the other side about how our schools are being driven down just do not hold water, from my own personal experience.

I want to talk a bit about education assistants, which the Leader of the Opposition spent some time on, and independent public schools. If we think about independent public schools, yes, the previous government brought in IPSs. The government supports IPSs and I support IPSs but remember that the jury is still out on the educational attainment of independent public schools. There was a committee report in the previous Parliament about that. We are not going back. The people voted in support of independent public schools and I think we have to try to make the situation even better, but we must not think that IPSs are a panacea for all our educational problems. Of course, principals love IPSs as they generally allow them more autonomy. Nothing in the minister's statements or the government's policies since the election undermines the autonomy of IPSs. Principals of independent public schools still have the ability to select staff who best suit their school. They still have that ability—they do, Leader of the Opposition. However, we also have to remember that not every school in the public system is an IPS. We need to look after non-independent public schools as well. What do we want? Do we want to say that IPSs are the gold standard; we are worried only about IPSs and we will not be concerned about teachers who go to non-IPSs? There are a number of independent public schools and a number of non-independent public schools in my electorate and I want to ensure that they are all treated fairly and equally, and that the non-IPSs can also attract very good teachers. Let us not try to argue that the IPS program is a panacea for everything. The minister has done nothing to reduce the ability of principals to select the best staff for their schools. The minister is also trying to ensure that we have very good teachers at non-IPSs. That is what we should be doing; we should be ensuring that we have good teachers at all our public schools.

The Leader of the Opposition talked about the need to ensure schools, especially in lower socioeconomic areas, are properly funded and resourced, and that policies will assist them and their students to obtain the best possible educational outcome. I could not agree more with the Leader of the Opposition because, obviously, many schools in my electorate fit that bill. The Minister for Planning; Transport and I are graduates of Kelmscott Senior High School so we understand the importance of public schools and we know that they can be used to improve oneself. Members can be assured that those on this side of the house immensely value state public schools.

I want to get the issue of education assistants. This government has, as the Leader of the Opposition mentioned, put education assistants back into the classroom. We made an election commitment that we would put 300 additional education assistants into schools. I should add that we also put 50 more Aboriginal and Torres Strait Islander education officers into schools to work directly with Aboriginal children and their families. That is fantastic. A school in my electorate, Gwynne Park Primary School, has a 25 per cent population of Aboriginal students. I think it is the largest proportion of Aboriginal students in any metropolitan primary school. The Leader of the Opposition made some assertions that the reason the Minister for Education and Training put 300 education assistants into the classroom is to appease the union. How ridiculous that is! I am not sure whether the Leader of the Opposition understands the value of education assistants. They are incredibly important.

I do not normally do this, but I will relay a personal story about the importance of education assistants. I will relay a personal story here, Leader of the Opposition, because it is an offence to state that the Minister for Education and Training agreed to 300 additional education assistants purely to appease a union. I do not care what union they are members of, but I will tell the Leader of the Opposition the value of education assistants. My eldest child has special needs; she has left school and is now 23. When she was in primary school, we decided she should be mainstream educated. High school was a different situation, but she went to Armadale Primary School. I am not sure whether any members of the opposition have been to Armadale Primary School.

Mr W.R. Marmion: I have.

Dr A.D. BUTI: The member for Nedlands has been everywhere, and he would have gone to the old school.

Mr W.R. Marmion: No; I handed out an engineering award at the new school.

Dr A.D. BUTI: As he knows, it is built into the hills. It is a beautiful school but its access is very steep. Obviously, steep access can be quite dangerous to people who are not mobile or steady on their feet. We decided that we would educate our daughter locally, at Armadale Primary School. She had been there for two years, but in the third year it was decided that the number of education assistants at that school would be reduced. Had that been implemented—we fought that and it was reversed—our daughter would not have been able to go to the local primary school because there would not have been a sufficient number of education assistants. To argue that the Minister for Education and Training is putting education assistants into primary school to appease a union is so far from the truth that it shows that the Leader of the Opposition does not understand the value of education assistants. Education assistants are there to not only support people with special needs, but also assist the teacher to occasionally give a little more focus to children with special needs and to assist with students who do not have special needs. They play an incredibly important role. I congratulate the Minister for Education and Training for employing 300 additional education assistants in our schools. I hope a lot more are employed. I do not care what union they are part of; that is irrelevant. What is relevant is their value to our education system and to the education of our children, whatever needs they have. If we are to ensure that we do not discriminate against children with special needs and that they have the same opportunity to go to a mainstream public school, we have to ensure there are sufficient education assistants.

To try to link these additional 300 education assistants to their belonging to a certain union is appalling. They provide incredible value to our education system. It is offensive to education assistants for the Leader of the Opposition to say this government values them only as union members. That is what the Leader of the Opposition is basically saying. He is saying that the only value to our public education system of education assistants is their membership of a certain union. How appalling is that! Does the Leader of the Opposition know whether all those 300 education assistants are actually members of a union, given the “no ticket, no start” principle? Can the Leader of the Opposition please tell me how many of the 300 education assistants are members of the union?

Dr M.D. Nahan: United Voice is —

Dr A.D. BUTI: Does he know?

Dr M.D. Nahan: Let me finish; you asked me a question. United Voice has been hired by the education department to hold an induction session for all those 300 education assistants and maybe any additional education assistants. Part of that campaign is to try to convince them to become a member of United Voice.

Dr A.D. BUTI: Who said that?

Dr M.D. Nahan: I have the brochure.

Dr A.D. BUTI: The Leader of the Opposition cannot tell me how many of them are members of the union. Does he not think those education assistants are professionals and value the role they play? He is downgrading their role purely —

Dr M.D. Nahan: We employed 2 500 additional education assistants.

The SPEAKER: Leader of the Opposition!

Dr A.D. BUTI: Therefore, the Leader of the Opposition understands that they have a value. His government increased the number of education assistants, but if this government does it, it is purely for the sake of the union!

Dr M.D. Nahan: It was a function of need rather than for the union movement.

The SPEAKER: Leader of the Opposition, you are on three.

Dr A.D. BUTI: The government and the Minister for Education and Training have articulated quite clearly why we need these education assistants. The Labor Party stated quite clearly during the election campaign why we need these education assistants. Their role is to help teachers by providing assistance to students. Parents who want their child to go to a public school should not be barred from doing so purely because of the lack of an education assistant for their child. I congratulate the education minister and this government for seeing fit to increase the number of education assistants. That has not been done for the stupid reason that has been outlined by the Leader of the Opposition—that is, to increase union membership. The Leader of the Opposition cannot even tell me how many education assistants are union members. Members opposite know that education assistants are doing a valuable job. Members opposite should support and congratulate the people who have decided to take on that very demanding role.

MS S.E. WINTON (Wanneroo) [3.35 pm]: I would like to make a contribution to this debate this afternoon. During the debate yesterday and again today on the School Curriculum and Standards Authority Amendment Bill, members opposite gave us a substantial history lesson about their government’s performance and achievements in education during its eight years in office. I was a teacher at the coalface for those eight years, and I can tell members that that history lesson does not match my real-life experiences as a practitioner during that time. I am a rather logical person, and I am confused by one thing: if the former government had such an outstanding performance in the education portfolio, why on earth is it now in opposition? That is the bit I cannot match up. If the record of members opposite in education was so strong, why on earth are they now sitting on the opposition benches? That does not quite follow through.

Mrs L.M. Harvey interjected.

The SPEAKER: Member for Scarborough!

Ms S.E. WINTON: Obviously, their recounting of history does not match the reality of what is being faced in schools and classrooms.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Ms S.E. WINTON: Opposition members are totally out of touch. If they do not get a grip on reality and look at the history of their performance in education, they will be sitting on the opposition benches and floundering for a long time to come.

It is interesting that the Deputy Leader of the Opposition, in her historical rant, wanted to go all the way back to outcomes-based education. How many years ago was that? I think we can keep it a bit more current. We have a very telling report from a parliamentary committee—which was released under the member for Scarborough’s government—that is absolutely scathing in its summary of the independent public school program.

Dr M.D. Nahan: That’s what we’re worried about.

The SPEAKER: Leader of the Opposition, please! I do not want to have to throw you out, but if you keep interjecting, I will.

Ms S.E. WINTON: I am glad the Leader of the Opposition is worried about that, because so are we, and so is the Minister for Education and Training. We are absolutely committed to the IPS system—full stop. We need to make it better, and we are committed to making it better, on the basis of the findings of a parliamentary committee of this place. How can members opposite possibly criticise us for acting on the findings of a parliamentary committee that the Liberal Party chaired? That is quite extraordinary.

This history lesson that we are getting from opposition members does not match the reality of what teachers have experienced, what parents have gone through and what students have had to endure during the eight years of the former government. Our government is putting things right. The now Minister for Education and Training was very busy when in opposition, and she is extraordinarily busy now as the Minister for Education and Training. In the short time that she has been the minister, she has visited schools in Burns Beach, Kalamunda, Forrestfield, Wanneroo, Jandakot, Mirrabooka, —

Mr Z.R.F. Kirkup: Nothing in Dawesville.

The SPEAKER: Member for Dawesville, we know that you are the member for Dawesville. We know you are not getting anything, but just let the member carry on.

Ms S. WINTON: — Southern River and Balcatta. I believe she is going to the electorates of Kingsley and Joondalup next week. The Minister for Education and Training knows what she is doing. She is hard-working, switched on and responsive.

Several members interjected.

The SPEAKER: Members! Member for Roe, you should know better.

Ms S. WINTON: She is extremely busy. She was responsive to the feedback she received from various sectors during her time in opposition. The feedback was scathing. I remind members opposite of some feedback that the previous government did not pay attention to, and it is quite outrageous. We have heard in this place how wonderful IPS is, and how, somehow, it was the miracle that brought everybody back into government schools. I will tell the house a bit more about that, and what a joke it is to draw that conclusion, in a moment. I will read from the report of the Education and Health Standing Committee in the thirty-ninth Parliament. I am delighted to reread it, because it is important. Maybe the message will get through. I will read it slowly for the member for Dawesville, because I know he has a particular interest in education. The executive summary of the report states, in part —

The introduction of the IPS initiative has had no significant effect on the academic or non-academic performance of students, including those with additional needs.

That is a fact.

The SPEAKER: Member for Wanneroo, through the Chair, please.

Ms S. WINTON: The report continues —

Further, while the DoE acknowledges that teacher quality is paramount in improving student outcomes, it is not clear to the Committee how the IPS initiative directly promotes improved teacher quality.

We can talk about teachers and numbers—we put this much money in; these people put this much money in—and then there were all these comments about being sneaky. I would like to take just a minute to tell the house about

a really sneaky way that the former government stole 100 full-time equivalent teachers out of the system and thought it could hoodwink everybody. I am talking about the level 3 teachers. Under the previous government's watch, there were in excess of 1 000 level 3 classroom teachers, and the government cut 0.1 FTE, just like that. That was an equivalent cut of 100 FTE out of the system, like that, Mr Sneaky.

Mr S.K. L'Estrange: No, it wasn't.

Ms S. WINTON: Yes, it was. In the election campaign, we committed to reintroducing important support time for level 3 teachers, and our minister has delivered on that.

I have to touch on this because I find it extraordinary that yesterday the former Premier and today the member for Scarborough somehow bragged or suggested that increased enrolments in government schools in the last couple of years has been due to this magical IPS system that parents are so proud of. I have met with all the principals in the schools in my electorate, both public and private, and I can say that the number one factor for declining enrolments in private schools is the economic hardship faced by people in this state, created by the previous government. I have stories of parents having to pull their children out of the schools—rip them away from their cohorts and friends—and send them to another school, not because they want to go to an IPS school, but because they could not afford the fees when the previous government took their jobs away.

Several members interjected.

Ms S.E. WINTON: Take some responsibility.

The SPEAKER: Members! Member for Dawesville, I have been very patient.

Ms S. WINTON: On the one hand, I want the opposition to take responsibility for the damage it created as the previous government, but on the other hand I hope it does not, because the longer members opposite do not take any responsibility, the longer they will wallow on that side of the chamber.

The share of kids in public schools is related to the economic health of the state. Let me tell you this, Mr Speaker: we are getting this state back on track. We are delivering confidence back to this state, and with it will come confidence in the public sector.

Finally, I want to briefly talk about this redeployee smokescreen that has been put up by the opposition.

Mr Z.R.F. Kirkup interjected.

Ms S.E. WINTON: I have spoken to principals of schools in my electorate, member for Dawesville, and they are quite comfortable with this new system that has been brought in by the Minister for Education and Training. All that the principals are being asked to do is to consider redeployees. They are not being forced to accept them; they are being asked to consider them as part of their mix. Many principals are absolutely delighted to consider redeployees because many redeployees are stuck in a school because the previous government changed the system that allowed teachers to transfer around the state. It is absolutely outrageous and mischievous of the opposition to suggest that schools have to accept redeployees. That is an absolute untruth.

Thank you for this opportunity to speak on education, Mr Speaker. I will be opposing this motion.

MR P. PAPALIA (Warnbro — Minister for Tourism) [3.46 pm]: Thank you, Mr Speaker.

The SPEAKER: That introduction has cut your speech time down a bit.

Mr P. PAPALIA: Yes, it has. Thanks for the assistance with filling in the time, Mr Speaker. I appreciate it.

Having the responsibility of representing the Minister for Education and Training in this place and with education not being my portfolio, I was bracing myself for the onslaught from the opposition this afternoon, and I was a little unsure. I have to say that, in the end, the entire process was presented as an incredibly underwhelming experience. I was pumped and ready to resist the onslaught and defend against the arrows being slung across the chamber, but there were none. We pretty much heard a reflection of what was contained in the motion, which states —

That this house expresses concern at the state government's handling of the education portfolio and undermining the quality of education for Western Australian children.

It expresses absolute outrage. I cannot really determine what the opposition is getting at. It is vague and ambiguous and a lot like the contributions from the opposition this afternoon, which have been vague, ambiguous and indeterminate with respect to what the attack is supposed to be. I am not sure what the criticism is. I am searching for some link between whether it is bad or good to have the education assistants brought back into classrooms. Apparently, there was a time when it was good to bring EAs back into classrooms. That occurred over the entire eight and a half years under the Barnett government, when the number of EAs at the end was magically bigger than the number at the start, despite the fact that the government sacked 350 education assistants and Aboriginal

and Islander education officers during its last term. The number was bigger at the end than when it started in government; that is true, but of course that government reduced the number of EA full-time equivalents, and that had a direct impact on some of the most vulnerable students in the state. The Leader of the Opposition can shake his head however many times he wants to.

Dr M.D. Nahan interjected

Mr P. PAPALIA: The Leader of the Opposition should be careful because he is on three calls, and the Speaker is very twitchy this afternoon.

That loss hurt people in places such as Kununurra District High School. At the time I visited that school—it was a long time ago now—12 to 17 jobs had been taken away from it because the number of people who worked on the ground was much bigger than the number of FTEs. The FTEs were cut and more than a dozen EAs at Kununurra high school were removed from their jobs. Young Aboriginal children who are in a very challenging environment in the state's north desperately needed people to encourage them into school and to make that school a welcoming environment. That environment is foreign to them and frequently English is not their first language; it is often a third or fourth language. When they get to school, if they have an education assistant or an Aboriginal and Islander education officer who has the capacity to speak their language and who is a familiar face, they are far more likely to get into that school. I know those assistants were removed under the Liberal–National government as a policy that the Leader of the Opposition initiated. As Treasurer, he was fully aware of it; he was in cabinet. It is not something the Leader of the Opposition was not aware of. Prior to the election, we made a commitment to return 300 EAs and 50 AEIOs to classrooms. The reason for those numbers is that they are the numbers the previous government cut. It was not a number we plucked out of the sky; it was a response to a bad decision by the previous government. It was an election commitment.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr P. PAPALIA: Be careful; it is a hair-trigger. The Speaker is right on to the Leader of the Opposition this afternoon.

As the member for Wanneroo indicated, it hurts, and when the government did that, it was noticed. I understand, as members opposite have indicated, that part of this motion is about their own schools. They have big high schools in their electorates that have had to reduce their budgets to share to enable equity amongst smaller schools. I know that policy, and I applaud it. I have two big high schools in my electorate and both of them are receiving cuts, but I have talked to the principals about it and they are capable of dealing with it. Sure, I would rather they did not have to do that. I would rather we did not have to move money around in the Department of Education to achieve equity. I would rather we had some revenue from the gold royalty that the opposition knocked back. I would rather we had that opportunity than have to work within the department as we have to, because the Leader of the Opposition is failing in his responsibility. It is very sad to watch what has happened to the Leader of the Opposition. About a month ago, the Leader of the Opposition was standing fast and applauding some of the initiatives we had introduced in the budget. But he has gone from that stage to being initially unsure about whether the opposition would support revenue measures to fix the budget mess it left us with to now being completely beholden to the wreckers and economic vandals in the National Party and in the crossbench of the upper house. That is a sad state of affairs. It is a very sad fall that the Leader of the Opposition has suffered. I know that the Leader of the Opposition is not going to be around—he is not concerned about it, but he is striving to get as close as he can to the next election; however, he is not going to be there—but to the rest of the opposition: take heart, because this is not as bad as it is going to get. I can guarantee members opposite that the second term is far worse. Waking up the morning after the second election is far worse.

Mr W.R. Marmion interjected.

Mr P. PAPALIA: Do not worry about that. These will be the good old days. Members opposite will look back with fondness —

The SPEAKER: Minister, get back to the point, please.

Mr P. PAPALIA: I am about to finish, Mr Speaker.

The SPEAKER: You will finish quicker than you think.

Mr P. PAPALIA: Of course, I reject this accusation. I am not sure whether it is an attack or a criticism; it is a bit vague and ambiguous. But I think it is bad and I do not agree with it. I think the Minister for Education and Training is doing a wonderful job under trying circumstances—in the terrible circumstances and the mess she inherited from the former government. She is dealing with those circumstances. She is focused on equity and on assisting teachers, EAs and AEIOs in the classroom, and that is a good thing.

Division

Question put and a division taken with the following result —

Ayes (16)

Mr C.J. Barnett	Mr Z.R.F. Kirkup	Mr W.R. Marmion	Mr K. O'Donnell
Ms M.J. Davies	Mr A. Krsticevic	Mr J.E. McGrath	Mr D.T. Redman
Mrs L.M. Harvey	Mr S.K. L'Estrange	Dr M.D. Nahan	Mr P.J. Rundle
Mr P. Katsambanis	Mr R.S. Love	Mr D.C. Nalder	Ms L. Mettam (<i>Teller</i>)

Noes (36)

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

Pairs

Mr I.C. Blayney	Ms A. Sanderson
Mr V.A. Catania	Mr B. Urban

Question thus negatived.

CORRUPTION, CRIME AND MISCONDUCT AMENDMENT BILL 2017*Second Reading*

Resumed from an earlier stage of the sitting.

MR A. KRSTICEVIC (Carine) [3.58 pm]: It is fantastic to get an opportunity to continue my remarks on the Corruption, Crime and Misconduct Amendment Bill 2017. Just for members who were not here, I was going through the Parliamentary Privileges Act 1891, which I am sure everyone is interested in.

Mr W.R. Marmion: I am interested only in section 8. Are you going give to give us section 8?

Mr A. KRSTICEVIC: I was specifically talking about section 8. I had gone through paragraphs (a), (b) and (c), and I was just sitting on (d), which refers to sending to a member any threatening letter on account of his behaviour in Parliament. Again, I do not think that is something that the Corruption and Crime Commission will really be interested in. Paragraph (e) refers to sending a challenge to fight a member. Again, if someone sends a challenge to fight a member, I am not sure that the Corruption and Crime Commission would be interested in that aspect of section 8. Paragraph (g) refers to creating or joining in any disturbance in the house, or in the vicinity of the house while the same is sitting, whereby the proceedings of such house may be interrupted. Again, I do not see any reason the Corruption and Crime Commission would be interested in that. Section 8(f) states —

offering a bribe to, or attempting to bribe, a member;

There is some relevance to that point. If someone were offering a bribe to a member or attempting to bribe a member, that is probably something the Corruption and Crime Commission might be interested in.

When the explanatory memorandum refers to the importance of section 8 and of course to breaches of the Criminal Code, I think it should also refer to paragraph (f), because that is the only one I think the CCC might have any interest in in terms of the Parliamentary Privileges Act 1891. The bill refers to returning the word “exclusively” to section 3(2) of the Corruption, Crime and Misconduct Act 2003. It would be interesting to know what matters are exclusively determined by a house of Parliament. I would like the Attorney General to provide a list of matters that are exclusively determined by a house of Parliament. I know, for example, that the Speaker can call members to order.

Debate adjourned, pursuant to standing orders.

**McGOWAN GOVERNMENT — ELECTION COMMITMENTS —
FINANCIAL MANAGEMENT PLAN**

Motion

MS M.J. DAVIES (Central Wheatbelt — Leader of the National Party) [4.01 pm]: I move —

That this house condemns the McGowan government for misleading the people of Western Australia during the March 2017 state election, specifically by having no plan for financial management; increasing taxes; privatising assets; increasing household fees and charges; and cutting royalties for regions.

I welcome the opportunity at almost the end of this parliamentary year to review some of the record and decisions that this government has made over the course of eight months since the March election. I primarily want to focus on the fact that this government was absolutely elected on a lie. It went to the election saying one thing and has consistently done completely the opposite since coming to power. The Labor Party said one thing to get elected, but it has done the opposite in a shameless and arrogant way again and again. At the end of its first parliamentary year, it can boast a litany of broken promises so audacious that even political commentators who have been watching this process for a long time are scratching their heads and wondering how it thinks it can get away with it.

I absolutely believe that the electorate will come back and judge this government for the decisions it has made. The Deputy Leader of the Opposition made the point during the matter of public interest that has just been debated that there is a tradition of governments coming in, washing through and making some fairly unsavoury decisions early on in the piece, hoping the electorate forgets, and moving on to become the government of good news towards the end of its term. I can promise the government of the day that this opposition will not be allowing the electorate to forget. I do not think we will have to try too hard because the pain will continue to be visited on Western Australians for the entire four years it will be in government. The government will not get away with it. The electorate will learn that it is being duped through the pain and heartache they are going to feel as a result of increased taxes and household charges, the job cuts in the public sector that have been talked about today, and the cuts to regional spending that we are starting to see wash out. That is despite the promises that royalties for regions would be retained. There is increasing pressure to deliver essential services. The community is being duped by a government that came to power promising the world but it had absolutely no intention of delivering. The community was duped by the Premier and a very slick media campaign that promised the world but it had no intention of delivering. As far as we can see, having observed in this chamber what the government has been doing for the last eight months, there is only one project that we know it will doggedly pursue. There is no doubt that it will wear this as a badge of honour. It means nothing to the constituents that the National Party represents. In fact, all it represents is a draining of resources from their part of the world into the Perth metropolitan area.

The government will doggedly pursue Metronet to the detriment of everything else. There are reports of increased defaults on mortgages. I recall an article this week or last week in one of the newspapers that stated that we have an increasing rate of defaults on mortgages. There are people and pensioners who are unable to pay their bills and public servants have the threat or prospect of either losing their job or having to do more with less. During question time today we touched on comments that previous members of the opposition who are now in government made about the false economy of cutting public servants. In opposition they believed in it vehemently, yet they have discarded those principles coming to government and are now aggressively pursuing 3 000 public servants before March next year. While all of this is happening, an enormous air of uncertainty exists within every department. It has not been so long that we do not still have contacts with the people who we worked closely with while we were in government. We know that there is chaos in these departments. As a result of the machinery-of-government changes people are unsure what their task is, how they are to achieve what the government is asking them to do and they are most certainly going to be asked to do it with fewer people and less resources. That can only lead to further chaos and pain.

On the other hand, the Minister for Transport continues on her merry way delivering on Metronet, which she will wear as a badge of honour, adding debt and spending taxpayers' dollars when there are no dollars to be spent. That is absolutely disgraceful. It is a project that is already demonstrating that there will be blowouts and no doubt across the course of this enormous project more households, businesses and public servants will be asked to pay for that, along with sectors such as the gold sector. Although there might be a good argument to run that everyone has to pay their fair share, there are sectors that were given explicit promises by this government that they would not be touched. The moment members of the government hit the shiny green chairs on that side of this chamber and the cabinet —

The ACTING SPEAKER (Mr T.J. Healy): They are blue! Sorry.

Ms M.J. DAVIES: Shiny blue chairs, my apologies. The moment they hit the shiny blue chairs on the opposite side of the chamber, they completely forgot those commitments. The government is pursuing increases to fees and charges in households, slashing the public service, increasing payroll tax and asking the gold sector, which it explicitly told it would not go anywhere near, to pay more. I seem to remember these enormous billboards around town. I had to drive up and down the Great Eastern Highway quite a number of times, as I do on a regular basis; my electorate starts in Northam. I can recall a big billboard as I was jumping off Roe Highway to get onto the Great Eastern Highway turn-off. It was a picture of Mr McGowan, our now Premier, that read "WA jobs", I believe. It definitely had a big word like "jobs" written on it, with the Labor Party logo. That was what I believe was spread all around this state. There was a commitment for jobs, jobs, jobs. This government promised that and again it has failed to deliver.

The government was quick to claim the upside in September this year when the Australian Bureau of Statistics released stats showing an increase in the employment participation rate in WA. I think the Premier stood and crowed in this house about an increase in business confidence—he has done it again today. In September, that was

a 5.6 per cent to a 5.5 per cent reduction in unemployment. He said that it was a strong sign of recovery. He was nowhere to be seen when the 17 November numbers came out with reports that the jobless rate has deteriorated to 5.9 per cent. The government is happy to take the upside and happy to promise jobs without delivering on that. Worse than that is introducing policies that it explicitly said it would not, to put at risk the jobs that people already have. Those in the public service are very nervous and I agree with everything the Deputy Leader of the Opposition and others spoke about, specifically about the education department. Certainly, we would expect that the education and health departments will be taking a majority of those 3 000 redundancies, because they are the biggest employers of the state. They both deliver incredibly essential services. Staff who are not on the front line cannot be pulled out without impacting on the capacity of frontline staff to do their jobs. It is a farce and the government must know that it will not be able to achieve it. It went to the election with a promise of jobs and turned up on the first day and said, "Sorry; we lied. We had our fingers crossed behind our back. We didn't mean that. We made a few too many promises during the election campaign. We now need to pay for them, so we're going to ask you to pay more." It is not going to ask everyone to pay more, even though that is the rhetoric that we are getting from the unions now. I noticed that today in their latest attempt to support the government, even though their own members are at risk, which I find extraordinary.

This promise of jobs was entirely fallacious, with nothing in it or sitting behind it. It was simply a slogan—a billboard to be driven past that captured the imagination of a public that I think desperately wanted to believe that this government would deliver. Unfortunately, over the last eight months we have seen that it is falling short of that mark. Even Labor's own federal shadow Minister for Employment and Workplace Relations, Brendan O'Connor, described the state of unemployment in Western Australia recently as "stubbornly high and continuing to rise". He was no doubt having a go at his opposite number in the federal Parliament, but it has ramifications for what is happening here. The government in this place is trying to convince everyone that everything is okay and that there is nothing to see here. It claims that win only when it is going in the right direction. It is nowhere to be seen when it is disappearing. There are 20 066 people between the ages of 35 and 44 years, who are the people most likely to be supporting a family, paying a mortgage or supporting an ageing parent, who have no prospect of relief from a government that is hell-bent on spending and not providing any relief. I think that people would be prepared to accept increases in fees and charges if there were a noticeable and real reduction in debt, but the government's own budget papers state that that is not occurring. The question is: where is all the money that the government is saying it must raise through this belt-tightening exercise going? It is going to Metronet and the promises that it has not funded but that it made in a ploy to get itself into government. It then thought it would be okay if it got the bad news out of the way in the first year and moved on. I think that is a deplorable way of doing business. It speaks volumes about the people sitting on that side of the house that they are prepared to conduct themselves in that way. It will break faith with the community and more people will start to question why they voted for a Labor government in such great numbers. I promise the government that by the time we get around to the next election, those people will not have forgotten.

Clearly, the unions were strongly supportive of the Labor Party in the election. I find it extraordinary that in this whole process they bit their tongues to allow that strong jobs message to be delivered and ignored some of the more unsavoury things that they knew were on the horizon. The unions would have known that the government could not continue to spend without ramifications for the public service. I know that behind closed doors they are absolutely ropeable about what this government is proposing with the 3 000 cuts to the public service. What has been put out today from the Community and Public Sector Union–Civil Service Association of WA? There is a request for every member to write to their member of the Legislative Council saying that everyone has to pay their fair share; otherwise, more cuts will be on the horizon. I find it extraordinary that unions are not protesting. They would if we were in government and there was any discussion of redundancies. When we introduced redundancies in our term of government, we had protests outside the offices of members of Parliament and on the steps of Parliament. The unions have been remarkably silent in this debate. I am not a member of a union, but I assume that their members would expect them to make representations in the most forceful manner to the members who are now sitting in government and making these decisions and to say that union members do not think that they should be paying with their jobs so that the government can deliver on promises that it made, knowing full well the financial situation this state was facing. I will get to that in a little bit. One of the things that this government has rolled out over the last 10 months is this notion that it had no the idea that the books were so bad.

Anyone who sat in this chamber for the last eight years would know full well that the key people in this government came into this Parliament and prosecuted arguments about the state of the finances and the triggers and the inputs that created the challenges in this state—namely, Western Australia's GST share and fluctuating iron ore prices. Those issues do not go away. They are well known and discussed and they were well canvassed in this place. To me, it is extraordinary that the government continues to roll out these lines and say that it did not see it coming. The government says that we have to make further cuts and be stronger and asks people to tighten their belts. However, it has not asked everyone to tighten their belt, and I think that is incredibly unfair.

There are 3 000 jobs to be cut from the public service. I cannot remember seeing that written on a billboard anywhere—and there were lots of them. I cannot remember the Labor Party saying anywhere that it would cut

3 000 jobs from the public sector. It did not go to the election with that policy, but it should have because it is a substantial policy position taken by this government. It is extraordinary that the unions have been quiet on this matter. We have started to see them arc up and do their job a bit today. Pat Byrne from the State School Teachers' Union of Western Australia went on the record questioning where these 3 000 positions will come from and predicting that it will have a devastating effect on the public school system. We just had a debate about the public school system in this place. It cannot be improved by cutting a significant number of positions. We do not know whether it will be 800 positions. The numbers are rubbery and no-one seems to be giving too much away. They had all lined up their answers when asked questions on individual departments. They said that it is an overarching government aim, but I suggest that education is very much in the firing line.

It is chaos when we start to think that the Minister for Police will refute that there would be any impact on frontline policing. How can there not be any impact on frontline policing when police officers will shift from frontline duties to the back room to take up the roles that were previously done by unsworn officers? It does not make any sense. The public will come to understand that because they will see fewer police officers on the beat. The Nationals are here to make sure that this Parliament keeps an eye on and a mind to the regions at all times and from a regional perspective this will bite heavily. Particularly in some of the bigger centres—Northam, Merredin, Katanning, Moora, Jurien Bay—any of those pullbacks in an administrative sense will have a real impact on the ability of police officers to do their job. I know that the minister stood and said that the government has added to police numbers. Does she not understand that in the same sentence about cutting the number of people, she is talking about adding people? There is no strategy in this. The government is hoping that, at the end of the day, it will wash out and no-one will really notice. I assure members that that will not be the case, because any time there are changes to service provision across the public service, regional Western Australia feels the pinch first. It is a difficult place to deliver even the most basic services. Regional Western Australians do not expect to have a Fiona Stanley Hospital on their doorstep or a police service that is exactly the same as the police service in a major Perth suburb, but they expect some degree of equity. If we start to take a large number of public servants out of the areas that we are talking about—namely, education, health and police—we will start to have a real impact on some of those far-flung areas that have their own challenges in attracting and retaining public servants.

The Minister for Health is in denial when he says that doctors, nurses and allied health workers will be quarantined and safe. I am sure that is his ambition, but if we put on additional pressure—I think the Minister for Community Services articulated this very well in 2011—it is a false economy. The government is asking people to do more with less. It puts them under further pressure and then inevitably we have the creep back. I think that was in an article in today's *The West Australian*. We have a creep back whereby an organisation says that it cannot cope. The government books the savings and moves on; there is a mutiny within the ranks and then all of a sudden we will see more. It will be done in an ad hoc manner by the departments as opposed to the government simply trying to manage the finances of the state effectively. A way of generating revenue for the state is being doggedly ignored by the Treasurer and the Premier and the cabinet, and that is very disappointing.

The Premier has refused to rule out forced redundancies. I think his words yesterday in the house were, quite frankly, weasel words. He read out the Labor Party's election commitment, which was not an answer to the question that we put, which was: will the government rule out forced redundancies? The Premier said that the government will review the redundancy process and ensure that forced redundancies are applied only when they are most needed. That, to me, is an easy get-out-of-jail-free clause. It is very disappointing. I think that everyone in the public service will be watching closely and waiting for the "don't come Monday" note from their bosses. It will end in more chaos for organisations that have already undergone such enormous change, none of which was flagged before the election so that the public could understand it.

I want to go back to the article in today's *The West Australian* titled "Push or shove, jobs will go". It offers great insight into the chaotic and flawed approach of the government. I have quoted what the Minister for Community Services articulated in 2011—how it was a false economy. I question those ministers who came to government with such strong union backing. We sat in this house and listened to a lot of the first speeches from new members and we know that they played a strong role coming into the last election. I am quite sure that not one Labor member who is sitting in this house now had these conversations with the public service or any of their fellow members prior to coming to government. That is not a discussion one would have when seeking support to come to government. Again, I go back to the fact that the government was elected on a lie. It made promises it had no intention of keeping. Members cannot be a warrior in opposition, as many members on the other side were when they turned up every day and were highly critical of the decisions we made as a government—that is the role of the opposition—but then become a mouse in government. They have refused to answer the question, which their colleagues will also be asked, about whether there was any argument when agreeing to the 3 000 redundancies now being offered by this government as a revenue repair, debt repair measure. I have a strong suspicion that they did not. They chose to say to the unions and their members, whom they say they fought for in opposition, as warriors, every day in this house, "I'm sorry. We are not going to have a discussion with the BHPs and the Rio Tintos of the world; we will, instead, ask you to give up your jobs and put further pressure on your colleagues." I think that is completely unreasonable. Government members will be judged for that by the broader electorate and

most definitely by those who put them in this place and supported them to get here. They are hamstrung by their party's lack of financial plan, which was non-existent coming into government—it was all about making promises they had no intention of keeping. Their colleagues are faced with a futile and pointless task because, in the Minister for Community Services' own words, it will be a false economy and deliver nothing.

Cutting 3 000 jobs before March next year is an implausible and unreachable target. I would like to hear how the Treasurer and cabinet are planning to achieve that. We understand that it will come predominantly from Health and Education, and it will cost the government absolutely more in the long term. The only way we will be able to determine that will be over the course of the next budget and the budget after that as we continue to scrutinise this government's decisions. The government campaigned on a jobs for WA platform. It told the electorate it had a plan, but we know that the government did not. We are not the only ones making that observation. Certainly over the course of this year, numerous articles have been written about that. The community will be asking some serious questions at the next election.

I want to go to the notion that gets rolled out that the government did not know how bad it was and that it needed to pull in some of the measures that forced it to break its promises to the electorate, and I want to talk about some of the things that the government said it was going to do. Having gone back through some of the debates we have had in this place and having read some of the comments that were made by now senior members of the government, I cannot believe that this is actually a plausible defence. I am struggling to figure out how they can stand up and say this with a straight face. The Labor Party made \$5 billion in election promises in full knowledge of the situation the state was facing, because in opposition it would come into this place during loan bill debates, budget debates and any other debate one can name and moved private members' business motions and matters of public importance on that issue.

The first example I will provide is that of the member for Kwinana, the now Minister for Health. On 15 September 2016 he stated —

We have always known what was going to happen with the GST. There are no surprises around where the state's share of the GST was going to go.

...

The government cannot come to this place and say that it did not know it was going to receive such a small proportion of the GST because that was always one of the great knowns of the state's finances.

The Labor Party cannot argue one thing in opposition and then, having prosecuted that argument again and again, come in and say, "Whoops, sorry, didn't know, so we get to break all those promises we made to the electorate and can we please be excused, because we didn't know?" Surely the public's memory is not that short; I can assure the government that ours is not. If we scroll through *Hansard*, we find comment after comment by government members that clearly demonstrate that they knew the challenges the state was facing and why it was facing them.

On 15 November 2016, the now Premier stated in a debate —

They —

Meaning the then Liberal–National government —

ignored all the warnings. They ignored every report after every report ...

One would assume that the then opposition would have read those reports, which means it would have known, when formulating its election platform, that it would have to make some accommodation for that and have some sort of financial plan. It would have known that it would have to come to government with some sort of revenue source that it had put to the people of Western Australia, and it declined to do so. It heavily criticised the former government for proposing a plan to recycle assets, or the sale of Western Power, and also the revenue source that the National Party put on the table. We were up-front with the electorate and we recognised, going into the election, that there needed to be a new revenue source for this state. The Labor Party was not up-front; it had shiny billboards that referred to jobs, and it relied on the fact that people in Western Australia desperately wanted to believe that there were jobs around the corner and that this would all be magically delivered without a new revenue source. That is untruthful at best, under any analysis of the way in which the Labor Party came to government. Mr McGowan continued —

They ignored every report after every report—every Treasury report after every Treasury report—and every financial commentator who indicated that the government's financial management was a problem.

The then opposition clearly had a view about what we were doing; there is no doubt about that, and it was free to express that view. It came in here and prosecuted the argument that there were challenges with the budget, yet it still made \$5 billion in election commitments, of which about \$1.5 billion was unfunded. The now Premier continued —

We are going to engage in the solid, responsible financial and economic management of this state, if we are elected in March next year.

...

... we also know that Western Australians want a plan and they want change. They want a fresh start in this state. History will record this government as having presided over the state's worst unemployment levels, the worst debt in history, the worst deficit in history and the worst credit rating in history. It will record this as being a disastrous period of government, with no plan for the future.

Unfortunately, those words have come back to bite the government. The government has come into office without a financial plan and is now asking the people who can least afford it to pay for election promises it should never have made because it knew full well that there was no capacity to pay for them. It was unwilling to go to the sectors of the community that could afford to pay more to take the pressure off the decision-making and deception it undertook throughout the election.

There are any number of quotes and comments from the now government when in opposition that clearly articulate that it was in full comprehension of some of the challenges. The Labor Party understood the GST. The federal Labor leader chooses to ignore that proposition and essentially has thrown this government under a bus, so if there is a federal Labor government come the next federal election, we can presume that the GST issue will not be fixed. We will continue to be at the mercy of top-ups and all sorts, which I do not think is acceptable. I am also critical of the current federal government. I believe it should be acting on the GST issue and we have freely said that again and again. When we had a member from the Nationals WA in the federal government chamber, we took the opportunity to do something about it. We were the only party on that side of the chamber to ask for a solution to the GST. It is uncomfortable but I think that the federal government should be making these decisions. Given that we are now getting closer to a federal election, it is unfortunate that the federal opposition has declined to put a policy on the table that would assist us in resolving some of the challenges we face in Western Australia as a result of the GST.

I would like to remind members and tell the newer members here that over the course of the previous government, we had many debates in this place about the impact of increasing power and water prices. There was much indignation from members opposite when they ran debates publicly and in this house that articulated the impact of increasing fees and charges. Labor Party members said in this house and wrote in their policy documents that they had spoken to people who were sacrificing their heating so they could afford to eat during winter, or were going to bed once it was dark so they did not have to use electricity or heating. Very soon after the Labor Party came to government, electricity prices in power bills increased by 10.9 per cent. I wonder whether this government went back and spoke to the same people it professed such sympathy for and prosecuted that argument so vehemently for in this place. I do not think it did. Again, I did not see a billboard during the election campaign that said, "We will put up your power prices." In fact, I think the exact opposite was argued; the Labor Party argued that if Western Power were sold, electricity prices would go up. The government is not selling Western Power and electricity prices have gone up. The government has done this itself; prices have gone up.

A member interjected.

Ms M.J. DAVIES: After eight years in this place—four years for me—I heard every member opposite who was here tell us hard luck stories from people who were genuinely in pain. Those people are out there, and they are now under further pressure because of decisions by the member's government. Those decisions were made despite explicitly telling the electorate that government members had no intention of making them. The Labor Party promised the electorate. Members opposite were elected on a lie. They knew they would have to break that promise because they understood the situation very well. The Treasurer, in particular, expressed a desire to sell Western Power because he knew that was part of the solution that needed to happen. I think that is very disappointing. Members opposite spent eight years criticising the previous government, but when they switched into election mode, they forgot about all those people and started rolling out promises. They rolled out Metronet and the commitments for jobs first in WA. We saw that in the budget. When the budget was brought down, every portfolio had the line "Local Projects, Local Jobs", so everyone got a little bit of sugar to roll out in their local electorate. There were no business cases or evidence of local job creation, or how it would be audited whether the government was delivering on the promises it made. It cannot be; it is simply pork-barrelling by any other name. It does not address the issue that is still at the heart of the challenge that any government faces—whether it be the National Party or the Labor Party—which is our financial situation. The government ignores the fact that there is a real opportunity to have a discussion with the two biggest miners in the state to generate a meaningful revenue source for this state. Then the government could go back to the public service and make the reforms required. No-one is arguing that the government should grow the public service and create an overblown and lazy organisation. That is not what we are arguing. There is opportunity for reform, but the loss of 3 000 jobs between now and March is unachievable. It will not be done without placing increased pressure on those left behind and without creating chaos in the delivery of important services that many of our constituents rely on.

The government has promised the world to Western Australians but I think that facade is about to start crumbling. Perhaps one of the greatest examples of the government's willingness to abandon all principles, despite, as a Labor government, purporting to always be there for workers—setting aside the 3 000 workers about to be made redundant—is its willingness to backflip on a gold royalty rate increase. This is an issue that the National Party

thought had been put to bed but it has been brought back. I feel that the sector has every right to feel betrayed by the Labor Party. It is a sector with which the Labor Party stood shoulder-to-shoulder on the steps of Parliament House because, again, it was convenient for it to do so. The Labor Party grasped onto it in opposition and was happy to stand by the gold sector and make promises and get the kudos in the communities that knew and understood the way the sector worked. Labor Party members said all the right things and agreed wholeheartedly with the gold sector. However, they got into government and we can only assume that they either do not believe anything they said previously or they were blatantly lying. That, I think, is a sign of real concern for anyone who hopes to do business with this government going forward, because its word cannot be relied on.

The perfect example of this government's arrogance, having been elected with a huge landslide, is its belief that it can steamroll through any decision it makes. When the Treasurer responded to a question about who had been consulted when the first tranche of the gold royalty rate increase was introduced, he said, "I didn't talk to anyone because I knew what they were going to say." That is the height of arrogance. Surely, any organisation, any government or any significant sector in this state has the right to be consulted about a proposed significant imposition that is directly opposite to the undertaking they had been given. As we know, the National Party, the Liberal Party and the crossbench in the Legislative Council resoundingly said that they do not agree with the Treasurer on the basis that this sector cannot afford what he is trying to impose because it would have future ramifications. They also reject the premise on which he is asking the sector to pay more because he is saying that it is about debt reduction but it is about paying for the government's election commitments that the Treasurer did not have a plan to fund and is now asking the gold sector to foot the bill for. The government has gone through a farcical process of bringing the proposal into the budget in direct opposition to what it had said previously and has had it rejected but has now come back for round 2.

What amazes us the most is the notion that there has been consultation this time around, but when we have talked to people in the sector who would be directly impacted, most say that it is not true; they did not talk to the government and had no idea. Telling someone in a conversation what is going to happen is not consultation. That is not the way a significant sector in this state should expect to be treated. Quite rightly, those who have the opportunity to reject this again, will take it, unless the government decides to continue on this path of ultimate arrogance and introduce a regulation after the chamber has risen. That will be a real sign of a government that thinks it is bigger and more powerful than anyone else and should not have to take its decisions to industry for consideration but that it should just steamroll them through. That would be incredibly disappointing but another one that can be chalked up as, "Sorry, here's something we said before the election but we are breaking that promise and we're not sorry about it." None of the actions of either the Treasurer or cabinet demonstrate that they have any sense that this has been a betrayal. I cannot imagine standing next to someone and saying, "We've got your back, mate; don't worry about it", and then, when we are on the other side and in a position of power, saying, "Sorry; we're going to ask you to foot the bill for something that we did." That is what this is about. Before the election, the Labor Party committed too much and promised too much. Now that the Labor Party is in government, it has to find a way to pay for it. It made those commitments and promises on a wing and a prayer, in the hope that it would be able to come up with the funding after the election. The challenge is that the gold industry understands very clearly that this government cannot and will not listen.

That is what we have been frustrated about. We understand that neither the Liberal Party nor the government of the day will embrace the idea that we took to the election. We have heard response after response that they are not interested in ripping up state agreements. We have heard loud and clear from the Treasurer and the Premier, and everyone involved, that they do not want to rip up state agreements. If they had been listening, they would have heard us say that they should sit down and have a conversation with Rio Tinto and BHP—two organisations that have legacy state agreements—about the potential for them to contribute. That is the sort of conversation any industry would expect to have with a new government. I understand the Treasurer and the Premier when they say they do not want to rip up state agreements. If the Treasurer and the Premier went through the questions that we have asked in this place over the last eight months, they would know that we have not asked the government to do that. We have simply pointed out that that is a revenue source that could be investigated. However, the government will not go near that, either because of political belligerence, or because of arrogance. I have a suspicion that at some time over the next four years, the government will have no choice but to do that. The government's budget situation will not get any better. The government will continue to spend. The government will continue to roll out Metronet. Metronet is an enormous project, and it is not fully funded. There will inevitably be blowouts in that program. The government made that commitment, in the hope that it would be able to come up with the funding later. That is in addition to all the other commitments made by the government.

I do not understand why the government is asking everyone to pay more, yet the Community and Public Sector Union—Civil Service Association of WA is now arguing that the gold sector should be the one that pays more. The CPSU needs to understand that it is not an either/or situation. The CPSU is being asked to pay more by reducing by 3 000 or 4 000 the number of people in the public service. The gold sector is also being asked to pay more. It is not a debate about whether one or the other should pay. The Treasurer and cabinet have made that decision. That is happening, albeit the gold royalty can be blocked in the upper house if an opportunity is given to the

Legislative Council to do its job properly. That shows the ultimate arrogance of this government. This government has broken commitments and promises, hiked up household fees and charges, cut jobs in the public service, slugged the gold sector, and racked up more and more debt. The government has no plan to reduce debt. The biggest con job of all is that the government wants the electorate to believe that it has a plan to reduce debt. The government made promise after promise in order to get elected, but it has demonstrated in all its actions since it has come to power that it has turned its back on the electorate. Eventually, the government will be caught out. People remember the promises that governments make. There needs to be some integrity in what governments promise. It does not wash for the government to say it did not realise the finances of this state were so bad. People do not believe it, and they should not believe it, because it is not true. People will figure out that what the government really means is, “We want you to pay more so that we can pay for our pet projects.”

I believe the National Party was generous in offering to provide a solution for the government in the form of the special lease rental. We offered to do that under the protection of a parliamentary inquiry that would be dominated by government members. That would have provided an opportunity for Parliament to assess those state agreements in a professional manner. I do not think anyone would question the right of a government or a Parliament to look at state agreements that they were a party to passing. This could be done in a way that provides the government with some cover to look at what these state agreements are delivering. However, the government belligerently refuses to go anywhere near it.

Ms J.J. Shaw: You did that for eight years.

Ms M.J. DAVIES: That policy was not known to us. That opportunity, actually put to us by Treasury —

Ms J.J. Shaw: You never turned your mind to the opportunity to review state agreements in the entire eight years that you were in government.

Ms M.J. DAVIES: I am talking about the special lease rental, as an opportunity. The special lease rental increase was put to the government by Treasury as an opportunity to consider, and after further investigation we believe that opportunity could be pursued. We are now saying that there is an opportunity for the government. We are not in government anymore, member, so it is a moot point. Members opposite now occupy the seats in which they get to make those decisions and they are choosing to reject that opportunity to make sure that two very profitable companies could actually deliver —

Ms J.J. Shaw: We are protecting the very important principle that contracts need to be honoured.

Ms M.J. DAVIES: I am not taking interjections from the member, Mr Acting Speaker.

Ms J.J. Shaw interjected.

The ACTING SPEAKER: Order, member!

Ms J.J. Shaw: It is an absolutely nonsensical argument.

The ACTING SPEAKER: The member has indicated that she is not taking interjections.

Ms M.J. DAVIES: I think the irony of this is that the Treasurer, having continued to bleat about everyone having to pay their own way, confirmed in estimates that if the original gold royalty plan had gone through—not the one that he is now trying to bring back in—the gold sector would have been contributing \$400 million over four years. Meanwhile, iron ore, which is predominantly Rio Tinto and BHP, would be kicking in an extra \$177 million. He went to great lengths in the budget presentation to point out that BHP and Rio Tinto would be paying their fair share through the payroll tax increases—\$400 million from the gold sector and \$177 million from Rio Tinto and BHP. I am happy to be corrected, Treasurer. I think the challenge in this is that the iron ore sector is considerably more able to absorb some of those costs.

There is an anomaly in the state agreements that could be reviewed. We are happy to have the discussion. That was the purpose of putting the review on the table through a parliamentary inquiry, but we could not even get the government of the day to say that it was the right time to make sure that we were getting the absolute best value from a resource that can be dug out of the ground and shipped overseas only once. Many arguments have been prosecuted in this place over time about why the iron ore sector, and those legacy state agreements in particular, are no longer serving the purpose they were set up to deliver. They have undoubtedly done a very good job of creating a stable investment environment, but we are now in a mature market, and I continue to believe, and the Nationals continue to believe, that this is something the government should be looking into.

We are resigned to the fact that because of either political belligerence or outright arrogance, the government is asking everyone else to pay for something that no-one asked for. This government has made election commitments to the tune of \$5 billion and there is no discernible decrease in debt. That is incredibly unfortunate, because householders will be footing the bill and bearing the brunt of that every day.

I would now like to move on to some of the commentary we have seen. There has been some assessment of the government, and that is exactly what we are doing at the moment. We are looking at the commitments that have been made and what everyone believes this government has delivered. We have pointed out that there have been

a number of broken promises. I refer to the headline of the year, because this is what gets thrown back at me by the government on occasion. We say that the government is breaking promises, but the government says that we are asking it to break a promise on the special release rental, because it said it would not do that.

I am of the view that if a government is going to break a promise, it should at least make it worthwhile to the bottom line. I know that the Treasurer would like to see those books balanced so that he does not have to cull 3 000 public servants or have the discussion with people in the gold sector, whose hands he shook. He has more integrity than that. But I believe very firmly that if a government is going to break a promise because it did not have a financial plan in the first instance, it should make it worthwhile so that it can do something meaningful while in government without running up debt.

Ben Harvey wrote an article in *The West Australian* on 9 September this year. The opening paragraph states —

The only thing that Ben Wyatt wanted to do on Thursday —

Which is a reference to the state budget —

more than hit BHP and Rio Tinto with a royalties increase was to sell Western Power.

Both of those options were off the table and both of them were an opportunity for this government to set the revenue side of its budget to an even keel and remove some of that pressure, as explained previously, around defaults on mortgages and the increasing number of people accessing the hardship utility grant scheme and unable to pay their bills. This is all getting worse and I suspect it will continue to get worse. Ben Harvey's article goes on to state —

He knew that only these initiatives would have any material impact on the State's finances. Rising to deliver his first Budget speech, he was aware that these two lost opportunities meant the first Labor State Budget in nine years was a pale imitation of what it could have been.

Wyatt and Mark McGowan had a once-in-a-political lifetime opportunity to do something audacious.

For months they had been softening us up with shrill talk about the worst set of books since the Great Depression.

If you listened to McGowan over the past few months you would think he was the Mayor of Shanty Town, not premier of one of the world's most affluent economic provinces.

He set the scene for some eurozone-style austerity and the punters were ready for it: we threw out Colin Barnett because we were disgusted the greatest economic boom since the gold rushes ended with a colossal mountain of debt.

And with an overwhelming majority in the Legislative Assembly he had more than enough political capital to do something about the \$43 billion albatross around our necks.

But he squibbed it.

That is the line: a missed opportunity because of political belligerence. He could not accept an idea from the opposition, one that has significant capital in the community. People are still talking to us, particularly those who are starting to feel the pinch as a result of this government's decisions and broken promises. Those people are starting to ask: "Why aren't we talking to BHP and Rio Tinto? Why aren't we asking everyone to pay their fair share?" That is a missed opportunity. There are other articles on and around that budget. I cannot imagine it is very pleasant having gone through an election campaign, in which the party promised the world, to come into government and figure out that he does not have a financial plan. His party will not let him institute the things that would get this state debt back on an even keel. He has to go to the community members whom he is very closely aligned with, the people he purports to represent, and tell them that there is only more pain coming because he will not talk to the big end of town. It is very unfortunate.

Gary Adshead wrote an article on 23 June this year and he also observed that it may have been a missed opportunity. His article states —

All up, families will have to find about \$440 more to meet these increases, —

That is, the power and water charges —

and that hit to households will do virtually nothing to improve the Budget deficit as it heads to \$3 billion.

That is very unfortunate. These people are working hard and coming under increasing pressure. They were promised the world by this government and are now under enormous pressure, and for what? For nought because there is no reduction in debt in this government's budget. It is absolutely a missed opportunity.

I want to finish on this because royalties for regions is something very close to the heart of the National Party and those of our constituents. It should be like that for the entire state because if our regions prosper, the state prospers.

It is where the wealth of the state is generated. We have some wonderfully resilient communities in regional Western Australia. For those members who do not recall the genesis of royalties for regions, I will take them back to the premise that we set prior to coming to government in 2008 that 25 per cent of royalties collected by the state

government would be quarantined for expenditure in regional Western Australia. We were not overreaching. At that time, about 25 per cent of the state's population was based in regional Western Australia. We thought that was fair. We thought that would not only win the hearts and minds of communities in regional WA who had felt neglected and left behind for many years, but also of those in the metropolitan area who understood the challenges of people living in the country. Undoubtedly, it is a program that has delivered extraordinary change. I do not think anyone could argue otherwise. Anyone who had been a visitor to the regions of Western Australia prior to 2008 would now see the change in those communities.

The argument we continue to make is that regional development is hard and we have to make a conscious effort. We need to have people sitting around the cabinet table who are constantly making the point and arguing day in, day out against the flat earth brigade from Treasury who will always say that the cost-benefit analysis does not stack up and the project cannot go ahead and cannot be justified because not enough people will benefit. That is the mentality we have to fight and why Parliament is an important place. The royalties for regions legislation was one of the most important pieces of legislation passed in 2009 when the government was formed. Unfortunately, this government has, along the same lines as everything it did prior to the election, broken its promise on that. The royalties for regions legislation and the fund are still there, but I can promise members that people in regional Western Australia understand fully that it is not being spent the way it should be spent. Whole programs of expenditure from normal consolidated revenue within departments like education, water and others have been shifted into royalties for regions. That is enormously disappointing. We have heard members of the bureaucracy and the government describe programs as no longer being worthy of pursuing. I have it on good account that the Minister for Regional Development is currently travelling the state and putting incredible pressure on groups that have been provided with funding, have signed financial assistance agreements, have money in Treasury Corporation accounts or have already been provided that funding to hand back some of that money. These projects have been approved and have assistance agreements. They are local governments and not-for-profit organisations. In keeping with everything else that this government has done, I probably should not be surprised by that. But it is not welcome in that space, because those projects were delivered with strong business cases on the back of plans developed by regional development commissions that identified opportunities for growth.

One project I can think of in my electorate is the Central East Aged Care Alliance. That project is striving to improve the quality of housing for seniors and those who require assistance to stay in their houses as they age. It is a very difficult task for people in some of the smaller communities in regional Western Australia to stay close to their families and friends. Royalties for regions provided the bureaucracy and communities with that opportunity to think outside the square and come up with projects that did not necessarily fit the very ordered and linear way of thinking that typically comes out of Treasury. I think that is the great challenge. There is a lot of advice—I have seen it, having been a minister—that states, “That doesn't add up. You can't do that.” Over the next four years, I urge government members to not lose what has been started by royalties for regions in regional Western Australia. That momentum will serve them well if they embrace what we started in the previous government.

Regional Western Australia needs to thrive, otherwise the state will not. That is indisputable. People in some of these communities pay taxes but see very little return for it from government services. Royalties for regions was an opportunity for local communities to tap into to become self-sufficient and create opportunities for employment through the construction of projects and then the provision of services, particularly for aged care in the wheatbelt, which is something I am incredibly passionate about. We now see that put at risk, along with the provision of child care. These are all things that we would assume a Labor government would be heavily investing in, yet we see them cut or re-prioritised to ensure the Labor government can pay for local jobs, local priorities and Metronet. That is what is most disappointing, although we should not be disappointed, because we probably expected it. We knew that the Labor Party was travelling the length and breadth of the state making promises it could not deliver on—there were the big billboards—and we have now seen day after day over these last 10 months confirmation that the Labor Party was prepared to say anything and then break the promises just so it could deliver on its pet projects. I am seriously concerned for the people of Western Australia and their capacity to survive what will only become worse if the government is not prepared to have a real conversation with the BHPs and Rio Tintos of the world about a serious budget repair measure. That is exactly what needs to happen and I urge the Treasurer to think about it over the break and have the discussion with his colleagues about those two entities and Western Power. I know he wants to do it. It would certainly make some of the conversations with the public sector a lot easier if he had a revenue source that meant he did not have to tell its members he was going to sack them all. With that, I will hand over.

The ACTING SPEAKER: Member for Moore; I am sorry, member for Cannington.

Point of Order

Mr D.T. REDMAN: Two members stood at the same time and I believe that you made the call that the member for Moore —

The ACTING SPEAKER (Mr T.J. Healy): There is no point of order. I am sorry, Member for Moore, I thought you gave a hand movement to say that you were deferring to the member for Cannington. Was that not the case? You gave a hand signal and I thought you were deferring.

Mr R.S. Love: No. What the hell?

The ACTING SPEAKER: If you seek to speak, member for Moore, I return that to you.

Debate Resumed

MR R.S. LOVE (Moore) [5.01 pm]: I am always very glad to hear from the Minister for Mines and Petroleum, but not just at the moment—maybe in a few minutes.

Several members interjected.

Mr R.S. LOVE: He might not be, to be fair.

I would like to make a contribution to this motion that the house condemns the McGowan government for misleading the people of Western Australia during the last election, specifically by having no plan for financial management, because we know there was not one. We do know that there was some talk about careful budget management that would slowly pay off the debt, but there was no indication of where the money might come from. There was an indication that there would be no increased taxes and yet we have seen increased taxes. There was not going to be any privatisation of assets such as Western Power, yet almost unbeknownst to anybody else, a foreign organisation has taken a very large position in some substantial renewable asset projects and plants in Western Australia—through what process, I do not know; it just happened. There was not any openness about it and there was no public discussion. Whether or not it was the best outcome for WA, we probably will never know, but it is something we need to look into further, and I am sure the member for Warren–Blackwood will have some things to say about that. We were told that the plan was not to increase household fees and charges, and yet we have seen electricity prices and costs for households go through the roof, leading to a lot of financial difficulty and a huge increase in the number of people needing to apply for the hardship utility grant scheme. Demonstrably, there is an increase in these things despite the government saying it would not be so. I went through an election campaign standing next to a candidate for the Labor Party and, I have to say, a member of the other place who assisted that person and is now in a senior position in this area as parliamentary secretary to the—is it still the Minister for Regional Development or minister for Department of Primary Industries and Regional Development?

Ms M.J. Davies: Minister for Regional Development.

Mr R.S. LOVE: It is still the Minister for Regional Development, okay. There are that many changes that I do not know.

That person told everybody in my electorate that royalties for regions was not under any threat whatsoever and not to believe the Nationals when we said we would be the ones to safeguard royalties for regions because Labor would make sure royalties for regions was kept intact. As we know, that has not come to pass. I will talk about that a little further down the track. We also know that the plan that was put in place was in fact either a deliberate misleading of the people of Western Australia or perhaps the Labor Party is so dopey that it cannot work out it cannot get blood out of a stone. There is no magic pudding in Western Australia. Unless the government has the temerity and courage to seek substantial increases in revenue from organisations, it cannot make a dent on the position we are in at the moment.

One of the reasons for that is the GST. That problem has bedevilled the previous government and it continues to bedevil this government. The Premier and, I think, the Leader of the Opposition in the federal Labor Party claimed they had the solution. They were going to help out Western Australia. We were led to believe that Bill Shorten was the future of Western Australia in the sense that he would fix the GST debacle. He promised a few handouts for a fairly short period. As soon as the Queensland election was called, he went over there and made it quite clear he had no intention of making any structural changes to ensure that the underlying problems Western Australia faces with GST would be addressed. Unless we actually are going to change the way that the GST is distributed, we really are going to be living on handouts for a very long time.

We were also told that there would be no increased taxes. We now see a situation in which a payroll tax is being pushed through. That is quite ironic for us because we had a plan to reduce payroll tax, especially for smaller businesses in Western Australia. We have a view that payroll tax is a job killer. It is not only us who believes that. If anyone asked the Chamber of Commerce and Industry of Western Australia or any independent economic think tank anywhere in the country, they would have the same opinion. Payroll tax is a very regressive tax in the sense that it penalises people for employing people. It is not a good tax. It is certainly not the sort of thing that the government should be looking at as an answer for Western Australia going forward. Even if anyone really does believe that the government intends to only have the tax levied for a few years, that few years is damage that is being done every day.

The other area of course that has had some discussion of late is gold tax. As soon as the government came in, it seemed to change its views on gold. I will quote from an article that appeared in the *Kalgoorlie Miner* in 2014 from the now Premier when he was Leader of the Opposition. He said —

... gold was often treated as the “poor cousin” of iron ore, oil and gas by the State Government.

“That’s why they think they can get away with this royalty increase,” ...

That was at a time when there was only a discussion around an increase in royalties, which the Nationals by the way vehemently opposed at that time. He went on to say —

“(Kalgoorlie–Boulder) and its surrounding communities have large numbers of people engaged in gold.

“When they —

The Liberal–National government —

increase this mining tax, which is what it is, that will mean mines will close and jobs will be lost and these communities will suffer.”

But what did we see? As soon as the Labor Party was able to take up the benches of government, its hypocrisy showed through. Despite the fact that we have a relatively small and marginal gold industry, that industry was attacked virtually straightaway by the government in a bid to pull back about \$400 million over the forward estimates. That led to some rather strong opposition not only from ourselves, but also from the industry itself. The goldmining industry is not usually very vocal—not like BHP and Rio in their opposition to political situations. I will quote from an article by Bill Beament published in *The West Australian* on 11 September 2017 in relation to this gold tax. It states —

“The Premier gave all West Australians a cast-iron promise. No caveats, no ifs or buts. Once he got their vote, he broke the promise. And all he says now is I’m sorry about that. He has been completely devious, dishonest and destructive.”

Those are pretty strong words. As I said, in 2014 the Premier said to those people in Kalgoorlie —

“Gold, by its nature, can often be very marginal. A lot of work, a lot of processing, a lot of employment—but at the end of the day, costs are high and if this royalty comes in, mines will close and jobs will be lost.”

What happened? It is just an example of what the Leader of the Nationals was talking about before: when in opposition, the Labor Party tends to say one thing, but when it takes over the treasury bench, everything changes and suddenly what was wrong before becomes right. It is right to shed jobs in the public service, it is right to increase taxes on households, mums and dads, and it is right to increase charges on a smaller and more marginal industries. I only wonder who is going to be up for it next. We do not know what other industries will be hit. We do know of an industry that is very profitable. It contains some of the largest companies in the world that operate right here in Western Australia, yet those very large and profitable iron ore mines have been left untouched by this government even though we could argue that a lot of the problems we are in were brought about by the mining expansion, which this state helped to enable. That expansion was necessary to provide for not only the infrastructure that those mines needed in their immediate area, but also a population increase in this state of about half a million people—roughly the size of the population of Tasmania—in a very short time. Those costs were borne largely by the taxpayer. That is one of the reasons that our debt has grown. In order to provide for the schools, hospitals, roads and everything else that was needed, a debt was incurred. Furthermore, the extraordinary rise in wages and the cost of living at that time led to a situation in which the budget itself structurally ran into some problems because the cost of employing people suddenly went through the roof. When the last Labor government was in power, students fronted up to many classrooms in Western Australia only to be babysat because there were no teachers to teach them. Nurses were not showing up to work, and the situation for police was similarly hitting a crisis point because it was much more attractive—especially for some younger people and others heading toward their retirement years—to head off to the mining areas and pick up relatively low-skilled but very highly paid jobs in that sector. That caused a lot of problems for the state budget that has never really washed out. Even though some of those pressures have come off for new hirings, it is hard to go back to someone and say, “We can’t really afford to keep paying you at those rates because the general economy has gone backwards.” That is why some of the costs of the government of Western Australia are higher than costs faced by other states.

Given that we are largely in this situation because of that mining expansion and boom, it is extraordinary that the government so pig-headedly refuses to discuss what could be done to elicit a greater contribution from those two highly profitable companies that are making massive profits every day, raking in, I believe, around \$1.3 billion a month in underlying earnings, but are still contributing nothing extra to our budgetary situation. During estimates this year, the Treasurer said that the sum total that the gold tax would bring in was only about \$400 million over the next four years. We know from work that the Nationals did before the election that we had a program of identifying the special lease rental situation as an issue and we prosecuted that argument. I accompanied the former Leader of the Nationals to many of my communities, where he explained that very well to people. Throughout my electorate at least, it was very well received—that is, the idea that the companies that had profited the most from the expenditure of the state government should now make some return to the state government and the people of Western Australia, which the state government represents. It is easy to think of it as a separate entity, but it is the collective public wealth of many Western Australian people.

To ignore a situation that we identified would return about \$7.2 billion into the coffers in a similar time frame as this \$400 million that the gold industry is being asked to bring in is reprehensible. I cannot understand why the government continues to ignore that situation when everybody else in the state is being asked to pay. The mums

and dads are huddling around a single light globe because they cannot afford to turn on all the lights. They are probably not running their air conditioner anymore because they cannot afford to. Companies—some of them large companies—are being asked to pay an extra slug that they did not expect to pay. Why is it that these two companies and this industry remain a protected species when it is our largest industry and could potentially be our largest source of, if you like, corrective income to bring the budget back into some sort of state of normality and to start to repair some of the large debt blowout that we have?

The plan that has been presented by the Labor government does not reduce the debt. I do not know what we are being told the \$400 million is for. The last time the justification was having to reduce the debt but it did not do that. The Community and Public Sector Union–Civil Service Association of WA is now telling us that if we do not get \$400 million into the state coffers, more jobs will go. That will not reduce the debt either. Labor seems to have a magic pudding mentality with money and the fictitious uses that they want to put it to seem to be coming to the fore. It is surprising that that organisation has come out to talk about the gold royalty but these announcements were made before the government decided to increase the gold royalty. I cannot quite see the nexus between the two. The Treasurer will no doubt explain how this all comes together. It seems to me that the union has been tasked to add pressure on parties such as our own and the Liberal Party to support the government's raid on gold. Maybe the government is expecting that enough pressure will be placed on someone for them to crack and give their support to the increase in the gold royalty. Perhaps that is an example of the union working hand-in-hand with the government. I do not know, but it seems a very strange way for the union to be treating its workers. It is saying that the only way it will be able to save their jobs and get them a decent outcome is by hitting another industry and potentially, as that industry told us, losing thousands of jobs in that sector. We have a real "robbing Peter to pay Paul" situation.

The gold industry is unique. It is certainly not of the scale of the iron ore industry. Goldmining often takes place in a very difficult circumstances, with fairly low returns and low grade ores in deep underground mines with high cost structures. That is opposed to what we see in the iron ore industry, in which the cost curve is continually being driven down because of increased automation and the increased scale of both the mining operation and the shipping. I would also ask what effect some of the trading systems that have operated in iron ore might have on the royalty flow coming back to a state. We have things like these Singapore trading hubs. The Treasurer, if he is listening, might be able to explain in his reply the effect of an iron ore product being sold to a related company in Singapore at a lower price than it would be sold at on the open market and then being onsold by that company. I would like to know on which price the royalty is calculated. Is it calculated on the Singapore price or the deflated price paid at our ports? That is certainly worth investigating so that we have a better understanding of how that will affect the state's finances.

[Member's time extended.]

Mr R.S. LOVE: As we heard from the Leader of the National Party, one of the unfortunate aspects of what has happened is cuts to the royalties for regions program. I say "cuts" because even though the headline amounts remain in the budget, we know that there has been very significant substitution, as they say, of about \$861 million in the budget and forward estimates. That will go into regional water costs and other things that were formerly paid for by consolidated revenue. There was a discussion about this matter during the estimates hearings in September. My colleague the member for Warren–Blackwood asked some questions of the Treasurer. I will quote from *Hansard*. The member for Warren–Blackwood put to the Treasurer —

There are \$860 million worth of substitutions. That is the headline figure. There are at least four components to that. The big one is the regional water subsidy. The next one is the TAFE subsidy. The next one is remote essential services in remote communities, and of course the increase in PATS.

I think it is a fair bit of the patient assisted travel scheme. The member continued —

Three of those four—that is the first three, being the water subsidy, TAFE and remote essential services—do not start having an impact on the budget until the third year of the forward estimates.

The Treasurer said —

Yes, the member is right. They start in 2019–20.

Further on in the discussion, the Treasurer said —

I think I understand what the member means. For example, will country water, sewerage and drainage coming from royalties for regions be at least \$284 million in 2020–21? Yes, that is right.

That is a further increase of \$50 million on what was quoted in that last year of the budget. Not only are royalties for regions funds being used to substitute \$860 million over the forward estimates, but also most of that is occurring at the back end and will increase further in future years. That means that probably half or thereabouts of the whole program will go straight into those recurrent items that used to be covered by consolidated revenue. I go back to my earlier discussion about having to go through a campaign with Labor candidates and members telling communities that there would be no change to royalties for regions and that they would spend it in areas with more

need, such as roads. I know we had a program in my electorate for \$15 million immediately for a line route running from the Gingin coast across to the wheatbelt. That has been cut back. That was part of a \$60 million program that would have been eventually funded but had not yet been through the cabinet process. The plan was that it would have been the first part of a much larger program. Another \$45 million, from memory, was for roads within the agricultural remit. A lot of that would have been spent on wheatbelt roads, which would have worked well with a program that the wheatbelt shires have been working on for a number of years to improve their road structure. Perhaps, potentially, the funding would have been used for an application to the federal government for a much larger contribution from it. It would have been a great boost for the agricultural industry and road safety throughout not only the wheatbelt, but also Western Australia. Again, that program does not seem to be funded at the same level it was funded. It has been cut back to about \$10 million and that is it. We will not see any buy-in from the federal government at that rate.

The funding was cut for a very, very important road that runs from Northam in the Leader of the National Party's electorate to Pithara in my electorate. The funding for that road is gone. Not only is that road unsafe —

Ms M.J. Davies: It's a death trap.

Mr R.S. LOVE: It is a death trap. However, if there were actually a decent road, it would take a lot of pressure off Greenmount and Perth, and that would mean that many vehicles on the east-west run that want to run north would not have to break up at road transport disassembling centres such as Apple Street in the electorate of Swan Hills, just outside my electorate. It would mean a much more efficient freight task and it would cut many kilometres off the trip, heading north. Again, no-one could justify that that was not a worthwhile investment. It was critical for road safety, but it also had a very big payoff for road transport efficiency far beyond any country road that I can think of. It is most unfortunate that these things just get hacked to pieces, yet we are told that royalties for regions continues. That is a complete furphy that country people will increasingly not buy into.

It has recently been announced that the boarding away from home allowance will be reduced and the royalties for regions component will be steadily cut back over four years. That has caused a great deal of angst in my electorate. I seem to have an especially large number of the executive of the Isolated Children's Parents' Association as residents in my electorate, especially in the North Hampton area. They see this move as a sign that the government does not really care about them or their families. Not only is a large amount of money being lost, but the cost of sending their children away to school is ever-increasing. When the Leader of the National Party raised this matter in the estimates committee this year, the Premier, who was representing the responsible minister in this regard, seemed to be talking about the government trying to put educational opportunities in towns where these children come from rather than them leaving home to go elsewhere. That is what I read in *Hansard* anyway. In fact, in the quote that I have just found, the Premier stated —

... those students in those towns to get those good results and for those parents who might otherwise send their kids off to boarding school to keep their kids in the schools in those towns.

He completely does not get what the boarding away from home allowance is all about. It is about families who do not have a town within a drivable or commutable distance. Criteria of isolation must be met to show that there is no suitable school to cater for a child of a particular age. It does not necessarily have to be for years 11 and 12; it could be a district high school, for instance. It may be expected that children go there until year 10 and then go to another senior high school, but they are not able to get the boarding away from home allowance or the allowance for isolated children from the federal government while living in a town or near to a town that is offering education at a level suitable for them. It was very disheartening to hear the Premier say that in the estimates committee and to be leading a cabinet that is making decisions that affect those families. I do not blame my constituents in the Isolated Children's Parents' Association for being upset about that particular cut. The savings are minimal. I have not calculated what that would add up to over time—no doubt my good friend next to me is looking for that at the moment—but it is not a huge amount of money. It means a lot to those families in two ways: not only financially, but as a signal to whether this government really cares about them, their lives and their children. One thing that I do know is that the educational opportunities for children in electorates like mine are always challenging due not only to government policy, but also isolation, geography and the difficulty of getting enough students to make classrooms viable. It is always going to be difficult, and I accept that. To get back to what the Leader of the National Party said before, if we take the very narrow view of what makes sense in the city, country people will always miss out because we never have the numbers. Kids will never get an education, we will never get a doctor in the local area and we will never get a sporting facility. We will never get any of the things that other people take for granted, unless we live in Bunbury, Albany, Geraldton or even Esperance. For people who live in Eneabba, for example—forget it. They will get nothing.

That is the problem that we face as representatives of those small areas, and that is what royalties for regions was all about. It was about not only giving country people those facilities, but also the idea that country people are important and that their industries, their lives and their kids matter to the state. That has largely come under attack, and probably the saddest part of the whole thing is that some of these things did not cost a huge amount of money. It just goes to show that Labor does not care about country people or people who are not in Labor seats. In the earlier discussion about education, we heard about the Minister for Education and Training doing all these magnificent tours around every Labor seat. There was no offer to come up to look at the situation in any of our seats.

Mr P.J. Rundle interjected.

Mr R.S. LOVE: I have written to her on many occasions about many things and have not had much of a result so far. I will keep trying; do not worry.

The government has to realise that it is governing for everybody. I shake my head every time I hear the government squawking about royalties for regions being a pork-barrelling exercise. Members opposite should go and look at the Ord and look at who is the local member there. They should go and look at the Pilbara, and look at who was the local member when most of that money was spent. They will find that the previous government spent money quite blind to who held the seat. It was about who needed the investment, not who was representing that seat, and that is not the case now.

MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum) [5.31 pm]: I am pleased to make a contribution to this debate and I indicate that I am not the government's lead speaker. I will answer one of the member for Moore's questions about trading hubs for the sale of iron ore. That is an issue that I was interested in when I was shadow Minister for Mines and Petroleum. During an estimates hearing, I asked the then Minister for Mines and Petroleum, the member for Nedlands, the very question that the member for Moore just posed: is the use of trading hubs in Singapore undermining Western Australia's take of royalties for iron ore? The then minister deferred to Richard Sellers, who at that time was the director general of the then Department of Mines and Petroleum, now the Department of Mines, Industry Regulation and Safety. The director general explained to me that the Department of Mines and Petroleum had sufficient systems to ensure that all the due royalties were paid, despite the fact that they may be traded through the Singapore trading hub.

I indicate that the processes —

Mr D.T. Redman interjected.

Mr W.J. JOHNSTON: No, I am not going to do that. I just make the point that at that time the member for Warren–Blackwood and the Leader of the National Party were in cabinet, and that was the answer given to me by the former government of which they were members—that the processes of the department were sufficient for ensuring that the valid amount of royalties were collected. The people who now do that work are the same people who did it at that time, under the same rules and regulations, and using the same systems. I can assure the house, based on the answer provided to me in those estimates hearings by the member for Nedlands in his capacity at the time as Minister for Mines and Petroleum, through the director general at the time, that the processes of the state are sufficient to ensure that the appropriate revenue is collected from the iron ore sold out of Western Australia.

I make a point about this: people do not understand the importance—to not only Western Australia, but also the nation—of the nearly 800 million tonnes of iron ore that is sold out of Western Australia. Let us make it clear: were it not for that export, Australia would have a significant financial problem. We would be running a large trade deficit. At the moment, for the first time in living memory, we are running a current account surplus; that is extraordinary for Australia. Let us understand that during the whole period of white settlement, we have run a current account surplus for only 30 or 40 years. We are currently running a surplus because of the combination of the LNG export surge and the iron ore exports. That means the exports underpin the income of every Australian, regardless of the industry they work in because, if it was not for them, our currency would be much lower, as it was in the 1980s, and that would reduce our capacity to pay for imports. We can buy cheap cars and televisions in Australia—all these things—because of the success of iron ore exports. It is not a marginal issue. It is at the heart of Australia's prosperity. That is why saying flippant things about the profitability of mining companies has to be put into proper context. That is its context. Do not forget that the mining companies also pay income tax to the commonwealth government. Members can have a look at the commonwealth budget's income tax receipts. I read in *The Australian Financial Review* the other day about the tax receipts of commonwealth companies and the huge surge in dividends paid out to superannuation funds. That is because of the success of Western Australia's resources sector. That is why I am so proud to be the resources minister in this state; because it is the best job in the world. That is what we are doing in this state. We are underpinning every aspect of Australia's economy. The next time members hear somebody from New South Wales going on about how important Sydney Airport is, they can remind them that the channel at Port Hedland is far more critical to Australia's economy than Sydney Airport is. When members hear somebody going on about some success in the finance sector in Melbourne, they can remind them that the only way they are able to underpin that success is because of the success of Western Australia's resources sector. Those things must not be forgotten.

I also want to make a point about the National Party's tactics. I do not understand why the National Party keeps moving resolutions for the consideration of this house, and then it abandons them. On 21 June, we debated a motion moved by the Leader of the National Party about enrolments in the Pilbara. It was never debated again. It never came back. It was so important that the National Party would spend time debating it, but it was not brought back on to conclude the debate. On 28 June, the member for Warren–Blackwood moved a resolution about uncertainty and confusion in regional Western Australia. Why was that such an important issue if it was never even brought back for debate? The National Party did not complete the debate. On 6 September, the Leader of the

National Party moved a motion that asked to refer a matter to the Economics and Industry Standing Committee. It did not come back for debate. The National Party did not want to talk about it ever again. It disappeared from the National Party's agenda. Then on 18 October, the member for Warren–Blackwood condemned the Premier for something. Again, it was so important that the National Party did not even want to debate it again. It is like a pigeon going from spot to spot, drinking out of the puddles in the road! That is the pattern of the National Party's strategy in this chamber. Every day, it has a new topic. The National Party does not want to talk about its history. It does not even want to talk about the history it is bringing into the chamber today. I bet you \$100, Madam Acting Speaker, if I am allowed to—a metaphorical \$100—that this matter will never go to a vote. I bet that the National Party cares so little about the resolution it is moving today that it will never ask anybody to vote for it. That is exactly the way it is. National Party members come in here, rabbit on, talk through their overcoats, and then they move on to the next topic. They never want to bring anything to a conclusion. It is no wonder that the National Party was such a hopeless government. It is no wonder that the National Party could not run the state or make a decision. The National Party now say that the lease rental fee for the iron ore companies should be increased. What is wrong with that? For the eight and a half years the National Party was in government, why could it not manage to do it themselves? After eight and a half years in government, it was such a genius idea that the National Party never did it once! What a joke; what an embarrassment. We have asked the large companies to pay extra—to pay payroll tax. I am sure that the Treasurer will talk about that. We have asked them to pay extra on the use of the government-owned ports. They are very important contributions we have asked the large companies to make. Quite frankly, the Treasurer—I have asked him previously—has also indicated that he is happy to talk to them about other charges they might pay. The other thing is that we have got the large companies to agree to increase the number of apprentices they hire. For the first time, a government is getting good outcomes for the people of the Pilbara in training and apprenticeships. That was not done by the former government but is being achieved by this government.

We understand that the economy is a complex business and it takes a lot of effort to run it, and that is what we are trying to do. This constant carping about royalties for regions is interesting. I make the point: the Labor Party has not cut one cent from royalties for regions. Yes, we have our priorities; the Nationals had theirs. We are not funding their priorities; we are funding ours. What is wrong with the party with the single largest representation in the regions having its agenda? It is probably part of the reason we are the largest party in the regions. That is their problem. They do not like the patient assisted travel scheme. We understand that, but we do like to support PATS and we are happy to guarantee it for the future. We are happy to support the subsidies for the water system in country Western Australia. I know National members do not support that but we do. These are important government decisions that will guarantee services for the regions into the future, not just through building shiny new things that councils are now complaining about. Councils are coming to government and saying that the former government gave them a piece of infrastructure but they cannot afford to run it. It is interesting that the Western Australian Local Government Association did a sustainability report in 2008 in which it warned against the state government building capital infrastructure for local governments without having an ongoing funding source. I forget the words, but it was something like dumping by the state government on local government. The Western Australian Local Government Association specifically warned against doing that, yet that is what we are finding across regional Western Australia where the National Party funded the construction of infrastructure but not the operations attached to the infrastructure. That was a travesty, caused by the National Party failing to properly plan for the operations of what royalties for regions was spent on. I make it clear: it does not matter what the National Party tells us, the Labor Party 100 per cent supports royalties for regions. There is not a single word in the Royalties for Regions Act that has been changed by the incoming government. We have never proposed any amendments. Nothing like that has ever happened. Every cent going to royalties for regions is being spent in accordance with the legislation introduced by the National Party. The problem National Party members have is that they are no longer in government so they do not like the fact that we are funding our priorities.

I want to talk about another thing. National Party members come in here and allege that we are not keeping our election commitments and criticise us for that and then demand that we break our election commitments. What is this? National Party members have to pick one side of the debate. Which side of the debate are they on? Do they want us to keep our election promises or do they want us to break them? That is the problem for National Party members. They want to tell us which election promises to break. They do not get this.

The member for Moore went on at some length about the incoming government's plan to pay down debt. I make two points about it. The first is that we said we would pay it off carefully and slowly, like paying off a mortgage. That is exactly the plan we have. The only way we can reduce debt is to run a cash surplus. We cannot pay down debt if we do not run a cash surplus. Privatisation itself does not reduce debt. We know that because during the Court government there was a series of privatisations, yet debt went up, not down. Debt now is much, much higher than it was when Richard Court was defeated in 2001. We need to understand that privatisation of itself does not reduce debt. What is important is what we do with that money. We need to understand the con job of the proposed part privatisation of Western Power. It would have resulted in an \$11 billion reduction in the headline net debt of Western Australia. That is because although the debt in Western Power would still exist, it would no longer attract

a government guarantee. That is not a debt reduction strategy. The debt owned by Western Power would continue to be paid by exactly the same process by which it is paid now—that is, by the customers of Western Power. There would not be even a one cent reduction in what Western Power charges its customers.

On Friday, I was at a party at Curtin University to celebrate the end of this year's course for a Master of Science (Mineral and Energy Economics). Curtin University is one of only six universities in the world that offers that course. At that party, I met the American professor who runs that course. He made that exact point. He said that all the research he has done shows that if we privatise an electricity system, costs and prices go up. That has been the case everywhere in the world. That is why Singapore has rejected the idea of privatising what it calls the transmission and distribution business. The idea that the part privatisation of Western Power was a debt reduction strategy is not correct. The debt would remain—it just would not attract a government guarantee. The former government said that the sale of Western Power would net proceeds of about \$3 billion. It then said two separate things. It said that that \$3 billion would be used to reduce debt, but it would reinvest that \$3 billion in new infrastructure. That is a contradictory purpose. We cannot use that \$3 billion to both reduce government debt and build new infrastructure. We cannot use money twice. The money can be used either for debt reduction or to build new infrastructure. If that money is used to build new infrastructure, the debt will be maintained at exactly the same level. It is mathematically impossible to sell an asset and use that money to buy another asset, and reduce debt. It cannot happen. We cannot add one and one and get seven. If we sell \$3 billion worth of assets and buy \$3 billion worth of assets, our net debt position changes by zero. There is no net debt effect from that transaction. That is a fact. It is mathematics. I know the former government had trouble with mathematics. However, that does not change the fact that that is the truth.

Mr D.T. Redman: You must accept that the government has an asset investment program that can be offset by asset sales.

Mr W.J. JOHNSTON: No. If we were to accept what the member is saying, we would never create an additional asset. All we would do is use the sale of one asset to fund an asset that we had already intended to build. That would be of no benefit whatsoever, because we were going to build that asset in any case.

Mr D.T. Redman: To use the example of your Metronet, if we had had the part sale of Western Power, you would have been in a much better position on your balance sheet.

Mr W.J. JOHNSTON: No. That is not correct, and I will explain why. First, if we sell an asset and buy another asset, we cannot pay down debt. Okay? It is just not possible to do that. We can do that only if we run a cash surplus. That is what we have to do. The only way to pay down debt is to run a cash surplus.

I seek an extension, Madam Acting Speaker. I was not going to seek an extension, but the interjections have distracted me.

The ACTING SPEAKER (Ms S.E. Winton): Certainly, member.

[Member's time extended.]

Mr W.J. JOHNSTON: I will make another point. Western Power makes a positive contribution to the general government sector. Again, it blows my mind that members opposite have never had a proper understanding of the difference between the total government sector and the general government sector. The general government sector is the part that is reported in the budget. When we talk about a budget deficit or a budget surplus, that is the part of the budget we are talking about. The operations of Western Power do not impact the general government sector. The impact is on the transactions between the general government sector and Western Power. I will make a note here. There is actually a little chart in the budget papers, and it has been there for years, explaining this in a diagrammatic format. It shows with arrows how these two things relate to each other. Western Power makes a positive contribution to the general government sector. If it is sold, we lose that positive contribution. We know this to be true, because UBS Australia made the same point about the privatisation of the transmission and distribution business in New South Wales, in the report it did for its clients, which was referred to widely in the newspapers. It was exactly the same report that was done when the unions got a consulting firm to do exactly the same analysis in Western Australia. Selling Western Power reduces the amount of money available for the general government sector. It is just a simple fact. The operations of Western Power are paid for by the customers of Western Power. It blows my mind that the former government—the current opposition—still does not get that. It is just bizarre that, after all these years, members opposite do not understand the budget. No wonder the state is in such a mess. Only the transactions between the entity and the general government sector affect the budget, not the entity itself. It beggars belief that I am still having to have that discussion with former ministers, who sat at the cabinet table making decisions about these matters.

Let us get back here. The National Party needs to decide what it is actually about. Is the sum total of the National Party policy to increase the revenue from two specific companies? Is that the way the Nationals are going to run this state? If a third company becomes successful, are the Nationals saying that that company would also have to pay more? Is that what they are saying? If a fourth company was successful, would that have to pay more?

Is that the method the National Party is going to apply to the operations of the budget in this state? It is extraordinary to think that a government should make its budgetary decisions based on the name on the front of a building. Because it has BHP on the front of a building, that company has to pay more than a company that has some other word. If it shows Rio Tinto on the front, a company must pay more than if it shows Woodside or Chevron. Is that the way the Nationals are going to make these arrangements?

As I have said, the government wants those companies to make a greater contribution to our economy, and that is why we have asked them to do things such as employing more apprentices. That is why the member for Pilbara can so proudly say that he has achieved something that the former member for Pilbara was not able to achieve, which is genuine jobs for local people in the Pilbara. People can grow up and become apprentices in the Pilbara. More training is available in the Pilbara. More workers are employed directly by the companies in the Pilbara. This is not some headline, but an achievement. That is what government should be proud of.

I want to get on to the gold issue just briefly. We have designed a process that would ensure that marginal operators would be protected from an increase in the royalty on gold. The companies that were named by the member for Churchlands would all be protected and would not pay additional royalties if the proposal goes ahead. The Treasurer promised some weeks ago that if we reintroduced the gold royalty, we would make sure it would be disallowable in the current sitting of Parliament, so clearly it will happen in the next short period of time. We have had discussions with industry. I am not saying that we have had agreement from industry—of course not. A number of people in other industry sectors have said, “Go for it.” Then the gold people have said, “You should have a look at that other company.” But nobody says, “I’ll pay more.” I note the comment by the outgoing chief executive officer of Wesfarmers about the increase in payroll tax. He said that he does not want to pay it, but he understands why the government has done it and he accepts that it is necessary.

Mr J.E. McGrath: Which we supported.

Mr W.J. JOHNSTON: Yes, we are very happy about that, but I am just making a point about the gold royalty. The companies that have marginal operations are protected in the plan that has been put forward now. Those three important changes to the proposal for the gold royalty have been designed to respond to the issues raised with me and the Treasurer by industry. They are specifically designed to overcome those issues. I have had positive feedback from members who are probably going to vote against the amendments.

Mr B.S. Wyatt: So have I.

Mr W.J. JOHNSTON: Yes, and it is interesting. Would the National Party support the gold royalty changes if we increased the lease rental?

Ms M.J. Davies: No; you have got your little contribution going on there.

Mr W.J. JOHNSTON: That is interesting. A member of the National Party approached me outside the chamber yesterday to say exactly that.

Ms M.J. Davies: You, as a government, have ruled it out.

Mr W.J. JOHNSTON: No. A National Party member told me yesterday that if we increased the costs to BHP and Rio Tinto, they would support the gold royalty. That is what the National Party member said to me yesterday. The Leader of the National Party is acknowledging that that is her position—that if we were to increase the charges on BHP and Rio, the National Party would support the gold royalty. That is what people should remember. We are seeing crocodile tears on the other side of the chamber, like always.

Ms M.J. Davies: You’ve ruled it out.

Mr W.J. JOHNSTON: Yes. We have ruled it out and the National Party has not. That is the whole point. The National Party members say that they would support an increase in the gold royalty if we increased the charges on Rio and BHP. That is exactly what the National Party member said to me outside the chamber, and the leader has just said it here. That is exactly what she just said.

Ms M.J. Davies interjected.

Mr W.J. JOHNSTON: A National Party member told me that outside the chamber and the National Party has acknowledged it inside the chamber. The position of members of the National Party is that if we do a deal with them, we could increase the gold royalty if we also hit up BHP and Rio. They cry crocodile tears on behalf of the gold industry, but, in reality, they would increase the gold royalty if we agreed to increase the charges on BHP and Rio. That is their position. That is exactly what the National Party member proposed to me yesterday, and they have just acknowledged it here in the chamber.

The final thing I will close on is this: not once did the Leader of the National Party or the member for Moore outline any evidence to support any of the issues raised in this motion, and that itself says much. It has been an hour and a half and we have not seen a single piece of evidence to support any of the assertions in the motion. This government has the strong support of the people of this state. They voted for us to get away from the chaos of the

former government. They knew it was time for a fresh start for this state. They knew that in the Premier they had a person who lives in the suburbs with a wife and children, who has a strong background as a lawyer and a naval officer and who is the most experienced Leader of the Opposition ever to be elected as Premier in this state. They know that the united team on our side of Parliament is here to make the tough decisions to ensure that all the community shares the responsibilities in repairing the budget, and that over time, like paying down a mortgage—slowly, slowly over a long period—we will get rid of debt in this state. But the only way that will ever happen is exactly the way that is shown in the Treasurer's budget. When we run a cash surplus, we can pay down debt. What the member for Moore said about the magic pudding is true; there are no magic puddings. The only way to do these things is through hard work and diligence, and that is what the people of this state have in the Premier and the Treasurer.

MR D.T. REDMAN (Warren–Blackwood) [5.59 pm]: I want to make a couple of comments and probably pick up on the last point that the member for Cannington made, but he is about to leave the chamber. He is paired, is he? He makes a big statement and shoots through. Anyway, he will be able to diligently read *Hansard* tomorrow and get a good rebuttal on his commentary.

This motion reads —

That this house condemns the McGowan government for misleading the people of Western Australia during the March 2017 state election, specifically by having no plan for financial management; increasing taxes; privatising assets; increasing household fees and charges; and cutting royalties for regions.

I will just grab one of those statements. The member for Cannington asked what evidence my colleagues, the Leader of the National Party and the member for Moore, have presented in the debate so far that gives any sort of support to that particular motion. I will pick one example—no new taxes. What was said in the 2017 election campaign? No new taxes. I could easily go and find commentary from the current Premier that there will be no increases in taxes when he is in government. What happened? The government is pushing for the introduction of two taxes. One will be successful and one probably will not. Straightaway, the member for Cannington loses credibility when he starts to press arguments like that—that no evidence has been presented in this debate. Of course, evidence has been presented in this chamber and no-one can dispute what has happened.

I think it is time for a bit of a report card. Today, in supporting the other contributions to this debate, I will go through a report card for the year. As we get to the end of 2017 and the first year of the Labor Party in government, there have been a number of issues. Let us see how they fared. I think this is an appropriate motion to pick up on that.

Dr A.D. Buti: Is it a high distinction or a distinction?

Mr D.T. REDMAN: Sorry?

The no new taxes claim is an absolutely classic example. For the member for Cannington to say what he did in his comments on this motion is absolutely misleading Parliament, let alone what the Labor Party did going into the election.

On public sector cuts, the Premier could not confirm in question time yesterday that the government would not look at involuntary redundancies. That must send a shudder rippling through the backbench sitting in this chamber. In the first instance, they are looking for 3 000 redundancies by March next year, but with the proposal of possibly going to involuntary redundancies. I would have thought that would be almost taboo for the Labor Party to even consider, yet it was not dismissed in any way by the Premier. I understand that the Treasurer has not dismissed it either, and I can see it happening. The government will not hit the target of 3 000 redundancies without hitting education and health. Half of the budget is roughly \$9 billion for health and about \$5 billion for education. The rest of government is picked up in the other half of the budget. The government cannot just touch up 3 000 redundancies without hitting those two areas. To run a commentary that redundancies will not hit frontline services and will not impact service delivery, to me, beggars belief. In fact, we know it will be a massive challenge for the government to hit its target. The notion of public sector cuts is coming, and the challenge of hitting that target will be very, very difficult.

My colleagues have talked about what is happening with royalties for regions. That royalties for regions has not been cut is, of course, a statement that the Labor Party will use, but in reality the program has been absolutely gutted. The member for Moore pointed out very, very carefully and diligently what is really happening behind the scenes.

Before the election, the commentary was that if we sold Western Power, power prices would go up. I think I have said in previous debates in this place that what the Labor Party did not say was that if Western Power was not sold, power prices would go up—in fact, massively, by nearly 11 per cent. That is a significant increase in power prices. That, again, must be a ripple that is going through the Labor Party backbench, because that will be felt by people who can ill afford to have such increases occur. We see this coming through with what is happening with the hardship utility grant scheme.

The member for Cannington was right. I think one of the most important books for any backbencher or new person in this house to read is the *Economic and Fiscal Outlook*. Understanding this book is really important, particularly the interaction between the government trading enterprises and the general government sector. It is not an area that is fully understood. It is complex—there is money going in and money going out—and having an understanding of that and how those things behave is really important. In this case, we have run the argument that there is a net-accrual-to-government position for the Water Corporation of over \$400 million a year, so in net terms the Water Corporation contributes over \$400 million a year to the general government sector. Last year I think it was pushing up just short of \$300 million, and in previous years it was down to \$120 million or \$130 million. Clearly, it is being used as a cash cow. The current water minister held us to ransom on and made commentary about the fact that the Water Corporation was being used as a cash cow, but the current government has upped its contribution by, I think, \$100 million to \$120 million. Of course, it is the same thing for the rest of the utilities. I think the figure is \$250 million or something like that.

Mr B.S. Wyatt: There has been no change in the dividend arrangement.

Mr D.T. REDMAN: There has been no change in the dividend ratio, but efficiencies and whatever have flowed through with a net accrual to government that is higher. It is high in comparison with historical positions, and of course those possible benefits could flow through to power and water prices if the government chose to do so.

I turn to fees and charges. The government is raising a couple of hundred million dollars over the forward estimates. Again, that is a position that was not taken to the election, but it is there. Of course, there is the wages policy. There is a really good read on page 8 of the *Economic and Fiscal Outlook* about budget repair measures that the government has in place, and a lot of that would have been raised in the budget debate. There is a whole list there adding up to general government net operating balances of some \$3.8 billion over the forward estimates, with an impact on net debt of negative \$3.5 billion over that period. There are a number of measures listed, five of which were not committed to and were in fact denied prior to the election. I make the point that a significant part of these budget repair measures—positions that the government took up and said it was going to tackle—were not mentioned before the election. Although there was a massive swing to the Labor Party, and that is acknowledged, with 41 members going around behind us here, it would be interesting to know how the election would have played out if all this had been put on the table—we are never going to know—with the Labor Party saying that it knew the state of the budget. There had been a midyear financial review and there had been the *Pre-election Financial Projections Statement* going to the election. The Labor Party knew the position and could have put all that stuff on the table. It would have been really interesting to see how the election would have gone had that been the case. We did that. The National Party took a couple of tough issues to the election. We supported the part sale of Western Power. We supported a new revenue source that seriously touched us up in the campaign, with a massive campaign from the big miners against us on that position. But, again, we were open and upfront, with a position of integrity. I think we probably fared quite well in the context of that election campaign.

We highlight that this is a motion about misleading the people, looking at the first 12 months of a new government, and clearly that position has to be supported, because the government was not upfront about what it was going to do. The government was not upfront with the people of Western Australia and the impacts it has now imposed upon them. The government is hiding behind what it is saying is a revenue writedown of \$5 billion since coming to power. I think the shadow Treasurer highlighted the fact that part of that came from changes to how Treasury assesses some of the forward estimates figures for royalty flows, exchange-rate impacts and the like. The government is hiding behind that and still committing to a campaign of a \$5 billion election commitment—it is not pulling back from that. As a result, of course, we are seeing a fairly significant increase in net debt in the forward estimates.

The issue is not so much the actions. The issue is not so much the taxes, the fees and charges or the wages policy. The issue is that the Labor Party did not say that was what it was going to do. We will continually remind the government in this place and the people of Western Australia, and in our context, the people in regional Western Australia, that the government was not upfront. In my experience, if a party goes to an election—I am talking about a local election such as my own campaign—holding its position on a range of issues, irrespective of how strong the headwinds are on them, and it gets past that, that is very, very powerful and strong. If a party does not, and it wobbles and changes its position and then backflips on that post-election, I hate that. That guts me. I feel really difficult having said one thing and doing something else.

Dr A.D. Buti: You were part of the previous government that did it all the time! Not personally, but the government did.

Mr D.T. REDMAN: I am part of the National Party. I believe we took a position of integrity. I want to use a local example. When I was Minister for Agriculture and Food, I signed off on exemption orders for growing GM canola in Western Australia and for growing GM cotton in the Ord River Valley. There was a massive campaign against me in Margaret River with full-page ads and a massive spend in a local election context, but I stuck to my guns. In fact, the sector was worried that I would get wobbly on the back of my own election campaign and my own electorate. Successfully coming out the back of that—albeit a fine line—was very powerful. I have no regrets about

that position. I would rather lose than change my position about something that seriously questions my integrity; that is, saying one thing and doing another. It is very powerful to hold a position of integrity and hold the line through these issues. We fundamentally believe that the Labor Party misled the people of Western Australia going into the last election campaign.

The budget papers refer to the net debt impact of the government's election commitments of about \$600 million over four years. It assumes that all the actions in it will land. That position assumes that all the budget repair measures will be there but we know that one will not be there. I think we can be pretty sure that the severance position is going to be the same. The Treasurer and cabinet are going to find these things will be difficult at the time of the midyear review. It will know its real position but what will it do about its election commitments? The position of integrity to take on this would be to say, "We're going to have to cut back on our election commitments. We're going to have to take a little bit of railway line off Metronet."

In response to the severance package, commentary from the unions has suggested that if the gold royalty rate increase does not get up, jobs will be lost. We do not want to lose jobs but no-one is taking anything off the election commitments. That shows that the Labor Party would rather take jobs out of the public service than cut back on its election commitments. It is hell-bent on meeting its election commitments. In the public service, 3 000 jobs will be targeted by March next year. That is happening to fund the Labor Party's election commitments. If I were one of those people, I would be pretty angry.

Dr A.D. Buti: Haven't you been arguing that you should go to the election with a position and then implement that position once you are in government?

Mr D.T. REDMAN: But the Treasurer has highlighted in this place that he has found himself with \$5 billion worth of revenue writedowns. That is a changed position. The government could make a case—not to mention commitments that will not be met here—that it will take longer to do it. The government can take up lots of options.

Dr A.D. Buti: One option is to try to improve the revenue source, like the gold tax that the opposition knocked back.

Mr D.T. REDMAN: Yes. It is a shame the member for Cannington is not here, but I will talk about the special lease rental in a little while. We believe there are some issues here. The government has underdone the funding for Metronet. The shortfall of funds towards that has to be found. In the headwinds of the state budget financials, that will be more and more difficult.

On behalf of the National Party, I presented recently to the Productivity Commission. I followed on from the Treasurer, which was good. We took a bit of a bipartisan view on the GST. A couple of interesting things came from it.

Mr B.S. Wyatt: I am curious about what you thought.

Mr D.T. REDMAN: I was going to have a bit of a dip at you in the first instance, but if I can get that out of the way first —

Mr B.S. Wyatt: There goes the bipartisanship!

Mr D.T. REDMAN: I will get that one out of the way first! The Treasurer quite rightly made the case with all the Treasury people behind him or beside him, which is good support. I was on my lonesome for the National Party, without Treasury backing, but nevertheless I carried the case. The Treasurer argued that we had been done over on the GST and that the GST is a fundamental issue for Western Australia, which is quite right. In this place he would argue that the fundamental issue for Western Australia is what this side of the house did not do right in government: misspending—an abuse of spending powers of government—therefore creating net debt issues. At the time we argued that the GST was nevertheless a fundamental issue. I would argue that the National Party put it on the agenda by tackling the miners on the special lease rental issue. It had them even coming in to help fight the GST argument. The case for the GST would have to be made.

I will go into some of the discussion now, because I was asked a similar question to the Treasurer. I was asked to give some evidence that the national horizontal fiscal equalisation arrangements, which contribute to how Western Australia gets its GST share, are not getting the necessary services in Western Australia or meeting service standards that we would expect to meet at an equivalent of other states. That was the question. It is not easy to answer. The Treasurer would have to do some research and find out whether there are little touchpoints in health, education or whatever. My response was that our net debt position was a signal that that was the case because, effectively, if there are infrastructure shortfalls in schools and health facilities, we have to fund to fill up that gap of infrastructure. We have to fund pay for nurses, doctors and teachers if they are not going to be driving a truck in the mines. There is a cost of maintaining those services. That was the sharpest point I could put on that in very simple terms. Nevertheless, Treasury has the challenge of how to demonstrate that we are not getting a service that other states get.

[Member's time extended.]

Mr D.T. REDMAN: There was another interesting point. I will talk about the special lease rental. This was a charge that we found in the early state agreements that later we found was put into the Mining Act.

Mr B.S. Wyatt: I didn't make any political comment—you were there—but I raised the fact that at the last election, your policy around the lease rental fee was probably an example of the debate around the GST and the fact that 88c of each dollar et cetera is lost, and also that there has been, in effect, finally, a recognition—admittedly, if at all, by the Commonwealth Grants Commission, assuming their current draft views form their view post-2020—that perhaps how they've been doing things hasn't been as fair as they would like. That's the most you're going to get out of that bloody organisation, but they're now recognising that maybe the equalisation has gone too far, so now it has this view post-2020, but only on any extra revenue.

Mr D.T. REDMAN: Yes, it will just square it off from this point. When we were in government, one of the things that we tested was whether the special lease rental was a relevant royalty. All the research that we did was that it was there to contribute towards paying for services—teachers, nurses and so on—to support the expansion of those mines. I would argue that that is almost like a tax deduction for a business.

Mr B.S. Wyatt: Which is another problem that was raised by us, and presumably by you as well, with the Commonwealth Grants Commission. I am hoping this comes out of the Productivity Commission series of recommendations; that is, that the Commonwealth Grants Commission doesn't allow almost like a draft ruling, like you can get from the ATO. So you can't actually test anything—you don't know what position they're going to take until after you've made a policy decision, which is mad.

Mr D.T. REDMAN: Yes, and we do not get the tax ruling if that is the assessment.

I will go back to the member for Cannington's issue. The special lease rental was there; it has a historical view. We argued it was there for a reason, and it should be isolated to that. In fact, the National Party does not believe it should be in the Mining Act. The reason it was put in is the reason it is valid today. We think it probably should not apply to modern iron ore miners. It was a historical position taken up at a particular point in time and early concessions were given for its introduction; therefore, in our view, it probably should not even apply to the GST distribution, but it does.

While I have the Treasurer's attention, it was an interesting point that he raised—I raised it as well—because it is a discussion we have been having ourselves. We know that if we increase the royalty, it has a flow-on impact on the GST distribution. We know that if we increase the special lease rental, that has a flow-on impact on the GST distribution. The Treasurer said, "What if you drop the royalty and you take an infrastructure payment, or something similar, from the mining companies that are paying for roads that might have co-use, or whatever it might be? How does that get applied?"

Mr B.S. Wyatt: The problem if you just swap it for infrastructure spending is that it's unreliable.

Mr D.T. REDMAN: They will still argue that this is something —

Mr B.S. Wyatt: How do you create another revenue mechanism that is an equivalent to a royalty, whether it is—I do not know if this is even possible—for example, a special payroll tax for large iron ore miners. You can't do this one because we looked at this one, but how high can you go in port fees, for example?

Mr D.T. REDMAN: Drop the royalty rates and payroll tax.

Mr B.S. Wyatt: Apparently, this happened in Queensland some time ago around coal royalties. My view of it, and Treasury's view, is that the Commonwealth Grants Commission will still look through it and say, "We can see what you're doing," and just treat it the same. We would go through the heartache to be treated the same.

Mr D.T. REDMAN: And then it is extended to the cash-out argument. If the government were to cash out the special lease rental, which I understand would be something like \$3 billion to \$4 billion in a single payment, that would get applied to GST because there would be a flow-on impact.

Mr B.S. Wyatt: The value of that would be getting a commitment from the federal Treasurer to exempt it.

Mr D.T. REDMAN: To me, the benefit of that would be to get the federal government to treat that as a unique arrangement and exempt it.

Mr B.S. Wyatt: Or, for example, treat it like it has treated a port sale in the other states where it has exempted it. Would we be able to convince the federal government that it's an asset sale, basically?

Mr D.T. REDMAN: If it is looking for something to do for Western Australia, it is an opportunity. Treasurer, another one might be that, historically, value-adding commitments have been set in state agreements. We have never been able to get a steel mill happening in Western Australia. The ongoing benefits of a steel mill would have been massive for employment if that were a continuing business. At different times, when companies have needed something, the government has used a cash-out arrangement for those commitments in some other form of infrastructure. The most recent one that I can think of is the Bungaroo water infrastructure for Rio Tinto. How does it treat that in GST terms? Some of that legacy value-adding commitment is still sitting in BHP agreements. If the government were to cash out, how would the GST treat that in the historical context too?

I think that a lot of questions need to be asked about Western Australia's position. As the Treasurer has said, if we do not have solid positions, it makes it very hard to set government policy around that so that the government can make its budget work in a state that needs to support those investments and companies, to support not only the state, but also the nation. I intended to read out some commentary from Gary Adshead. I think that the Leader of the National Party mentioned some of that. He suggested a budget levy on the iron ore miners of \$2 a tonne. He made the point that it had GST implications, but the government would get a bit of a benefit for three or four years.

We might like to think that we will get to a point at which federal–state relations are slightly different from what they are now. That would be a way to get through the difficult position.

Ms M.J. Davies: Which was the same for the SLR.

Mr D.T. REDMAN: Yes, which was the same for the special lease rental increase that the National Party put forward at the last election.

There is a budget cost to households and the impact is substantial. It has been pointed out by my colleagues already that the hardest hit in the community will be the ones who suffer. Of course, the government needs to respond to that. The argument for not selling Western Power is interesting. That was an asset sale issue that was pointed out by the government during the campaign. I will read some comments from a media release by the Leader of the Labor Party dated 7 March 2017 about the Labor Party's policy to keep Western Power in public hands. It states —

If Western Power is sold service standards will go down and the profitable State asset will end up in foreign ownership.

Foreign ownership was signalled as a clear issue. On what would happen to power prices, the media release stated —

If Western Power is sold, Western Australians can expect even higher electricity bills

Do not sell Western Power because the power bills will go up and, by the way, it will probably go into foreign hands and we do not like that.

There was an announcement by the government. The Minister for Energy made this point recently when talking about selling an asset—that is, a joint venture for the wind farm. A number of assets were rolled into a deal whereby Synergy is a joint venture partner to develop stage 2 of the Greenough River solar farm south of Geraldton to increase its capacity from 10 megawatts to 40 megawatts. Additional to that, the final capacity size of the Warradarge wind farm can be developed up to 250 megawatts and is recognised as one of the best renewable energy projects in Australia due to its location et cetera.

The Labor Party said not to sell Western Power because it is a public asset. It would not have liked the outcomes of privatising it, yet a quiet deal has been done to have foreign companies, we understand—we have not had it confirmed, but *The West Australian* has made some suggestions about who it might be —

Mr B.S. Wyatt: I will confirm that as soon as I can.

Mr D.T. REDMAN: I am sure that the Treasurer will confirm that. I do not have any doubts. I would have thought that it is not far wrong, because the government has as much as said in the paper that it is foreign owned. A foreign investment company will make an investment in renewable assets in Western Australia. It will be an 80–20 deal, as has been suggested in the paper, with 20 per cent owned by Synergy and 80 per cent owned by a foreign owner, to contribute to the mandatory large-scale renewable energy target that we have to meet by 2020. The Treasurer says that the pricing implications that might flow on to power users sit in the forward estimates. I struggle with that, given —

Mr B.S. Wyatt: Can I explain why? Currently, in the forward estimates and in Synergy's assumptions around prices, what they are currently doing is buying those renewable certificates. They have to buy them by 2020. They are, I want to say, about 900 000 certificates short if they just keep buying at the current rate—hence building something—because the effect of buying certificates is funding other states. You will probably remember this from your time in cabinet. This effectively means that we will no longer need to buy those certificates.

Mr D.T. REDMAN: Meeting the target is one thing; the power price flow-on issue is another.

Mr B.S. Wyatt: The PPA issue is another. That will be about a 13-year PPA to buy the energy from the farm.

Mr D.T. REDMAN: The assumption is made that anyone who buys into that will want a guaranteed return on investment.

Mr B.S. Wyatt: Presumably, yes.

Mr D.T. REDMAN: They will want to meet particular targets, and I assume that there is a level of regulatory control over that.

Mr B.S. Wyatt: There is. The reason Synergy kept it at 19.9 per cent was so that it had some vision into the pricing structure.

Mr D.T. REDMAN: The next question for the Treasurer is whether the purchase of renewable energy certificates coming off the market is a cheaper option than what the government has put up here, or has the government tested this against that option?

Mr B.S. Wyatt: We tested it against four different options: one, buy certificates; two, do not do anything and pay the penalty; three, just build it—Synergy, you own the asset; go build it—and, four, this option.

Mr D.T. REDMAN: My recollection is that when we were in government, we tested the market on a number of things, and purchasing certificates was the cheaper form. I think certificates were offered to us from wind farms in South Australia —

Mr B.S. Wyatt: This had the balance sheet advantage as well.

Mr D.T. REDMAN: Wind farms in South Australia were the cheapest option, but I did not like that option because it does not help jobs and stuff happening here.

Mr B.S. Wyatt: That is a good issue because —

Mr D.T. REDMAN: I am running out of time, Treasurer, and I want to get through a couple of points here. I will make the point that jobs in Western Australia is an interesting issue. It will be interesting to get commentary from the Treasurer on that issue and find out what weight the government puts on it.

The process was another issue. This was a surprise to local providers. A number of providers—I will not say who—have said that they were not in the mix of this discussion, yet a deal has happened. How was that process run to provide visibility and give local people a chance, which is one of the mantras of the government? It will be 80 per cent foreign owned. The Labor Party was opposed to that position prior to the election. It is a breach of the Labor Party's policy. I think that it is clearly an asset sale because it is passing government assets into a company that is 80 per cent owned by a foreign investor. The government effectively has an asset sale. I refer to the government's "200 Fresh Ideas for WA". Idea 195 is —

Stop the privatisation of existing public sector services.

I would have thought that those wind farms in government were public sector services that have now been privatised. Idea 37 is —

Encourage local and overseas investment into renewable technology manufacturing.

Mr P. Papalia interjected.

Mr D.T. REDMAN: I am keeping the government to account here. It has the potential to be a monopoly on the renewable energy market. A substantial player in the renewable energy space has the potential to have some impact on that. I am uncertain about the longer term impact on power prices. That is one the government will have to defend. To the government and the Treasurer, in summary of the issues, we will keep the government to account because before the election the Labor Party misled the people of Western Australia about what it would do after the election. There are significant flow-on impacts from those decisions. It is questionable whether the government will land most of that. The Productivity Commission inquiry was interesting, and how the royalty issue will fit with the special lease rental and the GST implications is something that will need to be teased out. Of course, the privatisation of an energy asset is in stark contrast with what the government said before the election. As I have said, the issue is not what the government has done; it is the fact that it did not tell anyone before the election that it was going to do it.

MR P.J. RUNDLE (Roe) [6.31 pm]: I rise to make a brief contribution prior to the contribution from the Treasurer, who no doubt will respond to the motion —

That this house condemns the McGowan government for misleading the people of Western Australia during the March 2017 state election, specifically by having no plan for financial management; increasing taxes; privatising assets; increasing household fees and charges; and cutting royalties for regions.

This motion is really about the fact that the government was elected on a lie and a series of mistruths. As time rolls on, we will see election promises broken. It is basically a flow-on effect. For me, without doubt one of the worst broken promises is the increase in household water and electricity prices. Mums and dads are paying the price. Still ringing in my ears is the commitment that there will be no new taxes. I now go back to the gold royalty, which was knocked on the head recently but which the Treasurer has had another go at this week. I do not know what has changed.

[Quorum formed.]

Mr P.J. RUNDLE: As I was saying, the Treasurer had another go at the gold royalty this week, and we will see how that pans out. Payroll tax is a very insidious tax and is really a disincentive. I also refer to the subtle part privatisation of Synergy, which the member for Warren–Blackwood referred to a few minutes ago. I look forward to the Treasurer's response to that shortly, especially when we heard the talk of "Western Power, no privatisation"

and that sort of thing before the election. However, I would like to focus on the jobs scenario. Today I heard the member for Southern River ask a question about jobs and quote the Chamber of Commerce and Industry of Western Australia, which found that confidence in the state's economy is at a three-year high. I have a few quotes here. According to my calculations, we are now entering an almost technical recession, and the government is now overseeing an increase in the jobless rate of nearly the highest in the country, at 5.9 per cent. Since July, the state has shed 4 300 jobs, based on Australian Bureau of Statistics figures. I quote the Premier from an answer to a question without notice asked of him on Thursday, 14 September 2017 —

Since coming to government we have seen confidence and certainty return to the state's economy, and we have seen a government that is dedicated to creating more jobs in Western Australia and creating opportunities for its citizens.

...

The opposition hates it. It hates that the economy is doing well and it hates the fact that it is in opposition. But it is in opposition ...

...

Business needs to see that as a sign of confidence in the economy to support jobs investment and that the state government is dealing with finances properly.

I now refer to a Western Australian member of the federal Parliament, Brendan O'Connor, shadow Minister for Employment and Workplace Relations. In the transcript of a doorstep interview in Perth he was quoted as saying, according to my notes —

I should also note though—particularly because I'm in Perth, in Western Australia the home state of the Minister for Employment—we have had a very significant jump from 5.7 to 5.9 per cent in Western Australia.

It wasn't that long ago that Western Australia was the engine room of the nation's economy, and yet the unemployment rate is stubbornly high and continuing to rise. It really is incumbent on the Prime Minister and the Minister for Employment to do better in Western Australia given this very disturbing increase to the unemployment rate in this state.

These are a couple of quotes that contradict what the Premier and the Treasurer have been putting out recently. This all goes to talk about the 3 000 jobs that are going to be chopped. I will be very interested to see how the voluntary targeted separation scheme comes to pass. Yesterday when I asked a question of the Minister for Police about the 100 jobs that are going and about officers having to do backroom jobs, I did not really get a satisfactory reply. I am really worried about frontline services and the roles that our frontline officers are probably going to have to fill when they take up those backroom jobs that are going to be chopped under the government's plans.

What concerns me more than anything is the education sector. We heard today the Liberal Party's concerns about jobs and about the education sector in general. There are 800 jobs that will have to go by March, and at this stage only 282 employees have volunteered to go. I am wondering where the other 518 are going to come from. Minister Ellery has said that she wants to reassure people and staff that this is not about any forced redundancies. We were told yesterday that all schools must partake in one of six languages—Chinese, Japanese, Indonesian, French, Italian or German—but at the same time, we have 269 schools with no language teacher. We are looking to sack another 518 people but somehow we have to find 269 language teachers to teach the compulsory language courses in our primary schools. To me, it is not adding up, and I can see that our regional primary schools will be the ones that suffer. I cannot see us digging up 100 or so language teachers out of nowhere when we have 518 staff in the education sector who are going to be axed, apparently.

The other issue I want to talk about is health. The Minister for Health has said that no doctors, nurses or allied health workers will lose their jobs. Basically, he has handballed this to the Premier and the Public Sector Commissioner. I am still recovering from my question to the Premier a couple of weeks ago about the redeployment of health workers to Bunbury or Perth; he told me not to open my mouth if I did not know what I was talking about! The next day, the Minister for Health confirmed that, yes, there would be 40 jobs redeployed in the WA Country Health Service. He knew about it, but obviously he failed to inform the Premier about it.

That is one of my major concerns. Over the next five or six months, we will face a really interesting period in which the government's supposedly targeted voluntary separation scheme will come into play. I cannot see that the government will have enough voluntary redundancies so it will have to axe people from those sectors. I am really concerned about the effect that will have on our state's economy because obviously, as we know, when people lose their jobs, they do not spend and so forth.

I have much more to say, but I am quite anxious to hear the Treasurer's response to some of the jobs issues. I want to talk about one other thing very briefly while the Treasurer gathers his resources; that is, the royalties for regions projects. I have a list of them, but I want to concentrate on just one—the great southern housing alliance. Ten shires worked together to inject \$7 million in volunteering and cash. The federal government committed

\$10 million based on the cabinet committee, which the two members of the National Party in front of me were part of. The federal government committed \$10-odd million but when we got to the budget, that money had been axed. Last week in the members' dining room, I met Rick Wilson, the federal member for O'Connor. He has a federal commitment of \$10 million for this fantastic project in the great southern. There is a waiting list for many people in Kojonup, Cranbrook, Mt Barker and Woodanilling. It is a fantastic, independent living unit project. The federal member for O'Connor is over here to meet with the Minister for Regional Development and trying to get the money that the previous cabinet had committed to. I cannot believe that the state government would throw away \$10 million that was already assured. The federal government will, probably quite happily, pull that funding if it does not get any commitment from the state government.

I will leave it at that. I am interested to hear the Treasurer's response.

MR B.S. WYATT (Victoria Park — Treasurer) [6.42 pm]: I rise to make some comments on the Leader of the National Party's motion that condemns the government for a range of things. The debate has certainly ranged far and wide on not only the topics that the opposition seeks to condemn the government for, but also more broadly. In the time I have, I will try to deal with some of the more specific issues but I want to make the point that when governments change, clearly, priorities change. We have had a very large reprioritisation. Yes, members, a lot of that reprioritisation was within royalties for regions. Does that mean that the government is not committed to royalties for regions? No; we have not changed the royalties for regions legislation. It is not going to change but we have certainly put our own priorities within it—absolutely. I appreciate and accept the National Party's frustrations that its agenda has been interrupted by a defeat at the general election and a new government.

I will make some broader points and then I will come back to some of the specific issues that were raised, if I can before seven o'clock. The member for Warren–Blackwood in particular raised the issue of the Synergy renewable energy fund. The reality is that whether we like it or not, there has been a significant revenue writedown since the state election. I want to highlight a couple of very interesting statistics that show what has happened over the last decade. This was in response to a very good question I got from Hon Dr Steve Thomas in the upper house. He asked what the annual revenue is above long-term trend each year; he asked since the early 1990s, but we can give him that information from 2001–02. It highlights that between 2009–10 and 2014–15, the relative trend growth was an extra \$15.2 billion. That is not an insignificant amount of money. The fact is that over the life of the former government, including during the last couple of years when it had revenue writedowns, its actual revenue to budget revenue was \$3 billion higher. Most of that—I made that point about the trend data—was in the first five to six years of the former government's term when it was awash with revenue. It had revenue way beyond budget expectations.

Mr D.T. Redman interjected.

Mr B.S. WYATT: I am saying that from 2009–10, and for the entirety of the member for Warren–Blackwood's government to 2014–15, it had \$15.2 billion more than the long-term trend revenue. During that same time, not only was the long-term revenue above trend, but also, the windfall revenue was spent and debt was ramped up to very high levels. That is why the Minister for Mines and Petroleum made the point that that debt cannot be reduced or paid off in one budget. We never said prior to the election that that would be the case. As I have said, we cannot make one decision in here that will do that. We cannot; believe me, I have looked. I have fossicked hard. We cannot make one decision that will resolve this issue. Although it sounds trite to people, the reality is that paying off the debt slowly over time, as we would pay off a mortgage, is the only solution. We will only start paying that debt off when we get back to a cash surplus. I recall the Treasury analysis of the Liberal Party's election costings, which contained the sale of Western Power. It had booked the sale but debt was increasing across the forward estimates because the government was still operating a deficit. Until we get out of a deficit position, we can sell all we want—that was being applied across a further spend—but debt will still increase. That is the point I made time and again.

I want to deal with a point that constantly comes up. I get the contradictions—I have been in opposition and probably expressed a few over the years—of critiquing the government for breaking election promises and demanding it break them all at the same time. I appreciate the Leader of the Opposition's argument that if we are going to break an election promise, break it properly and break it for something big. I think that is the argument Ben Harvey made in his article in *The West Australian*. If we are going to break a promise, break it big. The only problem is that Ben Harvey seems to be under the same misconception that somewhere out there is a magical solution that I am refusing to bring forward. Believe me, if there were an easy solution that would resolve these issues, I would have brought it forward in the budget and promptly retired in my glory. Unfortunately, that is not the case.

There is also the idea of a mandate. The Leader of the National Party, the member for Warren–Blackwood and the member for Moore made the point that we did not say before the election we would have a voluntary redundancy scheme. The Leader of the National Party said, and I wrote it down: "a 3 000 voluntary targeted separation scheme is a lot of people and they should have taken it to an election." The same point was echoed by all the National Party speakers. The same argument was applied to the issue of the gold royalty increase and to our payroll tax increase—all these things should have been taken to an election.

Ms M.J. Davies: They were promises you made prior to the election.

Mr B.S. WYATT: Wait for a second.

They said that all these things should have been taken to an election, otherwise we as a government have no right to do that. This is an interesting point. How far does our mandate go and how limited are we, as a government confronting record debt and deficits and more significant revenue writedowns? Despite what the National Party says, we knew the state of the finances, yes, but until we came into government and got further writedowns—we have to react to those because that is what we have been elected to do—how much do we constrain ourselves to a so-called mandate? I remind members, Madam Acting Speaker, as you will recall, because you spent a long time in opposition with me, that in the 2013–14 budget, the former government increased land tax by 12.5 per cent. In the 2014–15 budget, it increased land tax by 10 per cent. In the 2015–16 budget, it played with the land tax scale and increased land tax returns by nearly \$1 billion. That was broadly a 20 per cent increase, but it had an impact on a larger number of people. At the same time, the former government had a voluntary redundancy scheme and about 4 000 people exited the public sector. Not one of those decisions was taken to an election.

Ms M.J. Davies: But you would have to argue that the land tax —

Mr B.S. WYATT: That was not taken to an election.

Ms M.J. Davies: I am not saying it was. I am saying you would have to agree that part of the reason for the demise of the former government was that it did things that pissed people off, to excuse my language.

Mr B.S. WYATT: We will all be judged on our decisions in government. The member is absolutely right. The member's argument about a mandate clearly is not correct.

Ms M.J. Davies: I never said the word “mandate”.

Mr B.S. WYATT: You did. I wrote it down. The member said there will be 3 000 voluntary targeted separations and, to quote the member, “that is a lot of people, and they should have taken it to an election”. That is despite the fact that nearly 4 000 people exited under the voluntary targeted redundancy schemes of the former government. Not one of those decisions was taken to an election. We could fight and bicker about this all night, until seven o'clock. I am not inclined to do that, because I want to deal with a couple of specific issues that were raised.

The reality is that as a government, we have to react to the circumstances in which we find ourselves. I accept that when I sat on that side of the house, perhaps I was not as patient in accepting that argument as I am now when I am making it. However, that is the reality of this great game we play. What I will do is be as honest with every decision I make as I possibly can be—absolutely. I will confront and defend the decisions I make. I will make those decisions in the best interests of the state and in the best interests of the finances of the state.

The member for Warren–Blackwood talked about the *Economic and Fiscal Outlook* and highlighted revenue going in and revenue going out. The key part of the *Economic and Fiscal Outlook* is a subchapter headed “Statement of Risks”. I agree with the member for Warren–Blackwood that there are threats to the assumptions in the budget. A budget is predicated on assumptions. To be frank, there is a range of quite ambitious assumptions in the budget that I handed down. Those assumptions are around spending growth across the forward estimates, and around the success, or not, of implementing our budget repair measures. That includes the 3 000 redundancies. That is a bold and ambitious target. However, I assure members in this place that I will not allow that target to impact on frontline services. I understand that the former government took 4 000 people out of the public service. These types of reductions have a cumulative impact. As we go along in government, we learn what those impacts are and we have to react in a mature way. When I sat on that side I always highlighted the statement of risks. A budget is based on assumptions. One assumption is around iron ore prices. The former government saw iron ore prices go south at a rapid rate. There are also assumptions around payroll tax and savings et cetera. Those assumptions place a lot of pressures on the budget.

In the seven or eight minutes that remain to me, I want to try to deal with two points. The first is the gold royalty consultation period. Just because there is a lack of agreement does not mean there has been no consultation. That is an important point to make. Yes, I accept that the Chamber of Minerals and Energy and a big chunk of the gold sector do not agree with the policy we have put forward, either in the budget or in the policy I announced this week. I get that. I also found myself in a situation in which I was critiqued at budget time for not consulting with the CME, and therefore industry, prior to the budget announcement. That is not unusual. The land tax increases that were brought in by the former government were not part of a long consultation period with the property sector. The former government just announced those increases at budget time. I was critiqued quite heavily by the CME for a lack of consultation. Okay. I will wear that. We will move on. We are in politics. We need to cop those sorts of things.

I announced three weeks ago, I think, in the media that I am revisiting the gold royalty increase. I have said that in this place. I have said that to everybody. I said also that I want to work out a mechanism to try to protect the marginal miners. The debate was basically about the marginal miners. The CME was fairly specific about five mines that represent around 3 000 employees. I called the CEO of the CME and told him that I wanted him to have

a think about a mechanism to protect those marginal miners. I said to him then on the phone that I did not expect the CME to come up with a modelled detailed figure—I could get Treasury to do all that—but rather a set of principles. I subsequently met with him and his deputy and had the same conversation. I asked for a set of principles around how we protect those marginal miners. I said that I accepted the argument they had made about the original proposal, and I asked them to come up with some thoughts about it. They asked whether they could come back to me after the meeting with their management committee, which was in the following week. They subsequently wrote back to me that they did not support it, and they were not going to engage. I found that I was critiqued when I did not engage and that they did not want to engage when I tried to engage. So be it; that is the way of the world.

The issue of the \$2 500 threshold that Reg Howard-Smith raised with me is one thing that has been raised with me a few times during the past couple of weeks. That did not get a lot of mention during my first iteration of the gold royalty increase, but I accepted the argument because, ultimately, although the vast bulk of gold is produced by large gold producers, there are a reasonable number of smaller producers—10 000 ounces, say—for whom that threshold is of significant value. I accepted that, and hence made the decision not just on the mechanism to protect those marginal miners, but to keep the threshold there, understanding that that was of value to the smaller producers. It is important to note that the mechanism we created to fully rebate the increase was more generous than the industry was asking of us the first time around. It would have captured nine of the most marginal mines, including Telfer. I think Telfer was probably the important one, because of its size and number of employees, even though it was not actually in the top five most marginal mines, interestingly enough. It was further down, but so be it. I thought it was a good mechanism. I also increased the transition point of the royalty rate from \$1 200 to \$1 400 an ounce. I think it was a good package. In any case, the upper house will have its say. I made that commitment, and I stand by it. I am not trying to be sneaky around here. I am trying to be up-front with what I am trying to do, and the upper house will get to have its say before the summer recess. I could have done the sneaky thing and bring it in so that the miners pay the royalty until we come back. The upper house will have its say.

Ms M.J. Davies: We are a bit cynical about the upper house. It comes with the territory.

Mr B.S. WYATT: Believe me, I have spent eight and a half years being cynical.

A briefing on the Synergy renewable fund is open to the opposition as well. I have offered it to the shadow Minister for Energy, but I emphasise that it is also there for the National Party if it wants to catch up with Synergy and its CEO. I accept that it is a slightly unusual mechanism by which to implement public policy, because it is new to Western Australia. It is not necessarily new to Australia or the globe, but it is certainly new to WA. We have not had to think about these sorts of things before. It is also slightly new because we are actually trying to meet a commonwealth-imposed obligation; that is, the amount of large-scale renewable energy we have in our system. The reality, as Treasurer and the relevant minister, is trying to come up with a policy outcome—there was debate around the cabinet table, which is probably not unfamiliar to the Leader of the National Party—that did not require me to simply load it onto the balance sheet. That is what I was looking for. We looked at four options, and we also stress tested it quite heavily around pricing, to ensure that its value to the taxpayer and Synergy consumers stood up. When the opposition receives the briefing, I am sure the CEO of Synergy will take them through that. Importantly, when I came into government, this was floating around, but Treasury had not, to be frank, been terribly closely involved in it. I said that if this were to go forward, I would want Treasury and Synergy to present it to me as a joint submission. I wanted Treasury to come in on this as well. In the end, that is what happened. It is a good way to implement a policy. I have always been in favour of private sector investment in generation. That has been the intent of Labor for a long time, since we split Western Power back in the 2000s. That was one of the main reasons for it, and I dare say we will see more private sector investment in generation over the next 20 years as well, as assets reach the end of their lives, et cetera. Probably in the term of the next government—whoever that is—the Albany wind farm will reach the end of its life, in the early to mid-2020s. I do not think anyone wants to pull it down.

Mr D.T. Redman: How do you market test the partnership?

Mr B.S. WYATT: In one minute, I will try. Synergy, back in 2015, went out to the market, the member will recall, and tested the market, and a lot of other renewable projects provided a lot of information to Synergy, and were somewhat disgruntled by that. I accept that, because they are providing a lot of commercial information to a government-owned monopoly, and then the government-owned monopoly goes off and makes its own play with the renewable fund. I accept that frustration. I have seen the comments of Richard Harris and I have heard the comments from a number of smaller renewable projects. Clearly, Warradarge really is the cheapest renewable project in Western Australia. That is generally accepted and that is what I was looking for. It has the smallest impact on the consumer and the smallest impact on the balance sheet.

Debate adjourned, pursuant to standing orders.

House adjourned at 7.00 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

TRANSPORT — RAIL INFRASTRUCTURE

2102. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) There is an allocation in the budget for new rail infrastructure of \$1.75 million in 2017–18, 2018–19 and 2019–20 and then \$61.095 million in 2020–21, with a total project cost of \$263.378 million – what new rail infrastructure will be funded from these allocations?
- (2) What is the estimated date of commencement and completion for the projects in (1)?
- (3) Can you confirm the amount of the estimated total cost for rail infrastructure new works allocated beyond forward estimates?
- (4) What are the projects affected by (3), and for each, what are the allocated funds beyond forward estimates?

Ms R. Saffioti replied:

- (1) The ‘Rail Infrastructure New Works’ funding is allocated to various capital projects as required. These are delivered in line with the Public Transport Authority’s asset management plans. The larger sum of \$61.095 million in 2020–21 will be allocated to specific projects over the next 12 months.
- (2) There are various commencement and completion dates within this program for a wide range of projects.
- (3) \$197.033 million.
- (4) The \$197.033 million is indicatively allocated across the following five programs:
 - High Voltage Traction Power (\$28.229 million)
 - Network and Infrastructure Update Program (\$132.179 million)
 - Signals (\$10.796 million)
 - Track and Structures (\$21.729 million)
 - Upgrade Pedestrian Gates and Level Crossings (\$4.100 million)

TRAIN SERVICES — PASSENGER RAIL “AT GRADE” CROSSING IMPROVEMENT PROJECT

2105. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) What is the \$23.2 million Passenger Rail “At Grade” Crossing Improvement Project?
- (2) What proportion of the funding is allocated to the:
 - (a) Fremantle rail line;
 - (b) Midland rail line; and
 - (c) Armadale rail line?
- (3) Which level crossings on each of the Fremantle, Midland and Armadale rail lines will be upgraded through this project?
- (4) When will each project commence and what are the expected completion dates?

Ms R. Saffioti replied:

- (1) The Public Transport Authority’s (PTA) Urban Passenger Rail “At Grade” Crossing Improvement Package addresses the immediate risks associated with “At Grade” crossings to improve accessibility for people, improve safety and reduce road traffic congestion around crossings. The works are underpinned by the PTA’s Level Crossing Asset Management Program which aims to completely eliminate railway level crossings from the metropolitan network.

The package includes a number of projects, such as:

Improvements and upgrades to 90 pedestrian crossings to ensure access paths, manoeuvring areas, passing areas, tactile indicators and security lighting meet Disability Discrimination Act obligations for accessibility.

Installation of an additional warning signal at Albany Highway Crossing (Armadale Line) to enhance visibility and reduce the risk of collision.

Modification of Amherst/Harper Street Crossing (Midland line) to upgrade controls for pedestrian access.

Enhance infringement enforcement at level crossings to improve safety by deterring user error and abuse.

- (2) (a) 29%
- (b) 17%
- (c) 48%

Note: 6% is allocated to modifications to Moore Street Level Crossing which is considered the Perth Precinct (Armada and Midland lines).

- (3) Projects will be announced progressively once final decisions are made.
- (4) Each project varies according to scope and complexity and the program is still under development.

TRAIN STATIONS — MANDURAH TRAIN STATION — CAR PARK

2107. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) What is the expected cost for the Mandurah train station multi-storey car park?
- (2) How many new bays will be created?
- (3) How many stories is the car park expected to be?
- (4) What is the matching funding contribution being sought from the Commonwealth Government for this project?
- (5) Has the business case been submitted to the Commonwealth Government and if so when?
- (6) Should the Commonwealth Government not provide matching funding for this project, will the project proceed?
- (7) Does any privately held land need to be acquired to accommodate the new car park?
- (8) If yes, which entity/entities owns the privately held land and what is its current value?

Ms R. Saffioti replied:

- (1) \$32.2 million (budget figure)
- (2) There will be approximately 600 to 800 additional car parking bays provided, with the final number subject to completion of the required concept designs.
- (3) The multi-storey car park will be 3 or 4 storeys, with the final number subject to completion of the required concept designs.
- (4) 50 per cent (\$16.1m).
- (5) The submission is planned for early 2018.
- (6) The member should re-submit her question if and when her hypothetical scenario eventuates. I would hope the Member would lobby the Commonwealth Government for funds for such an important project.
- (7) Not at this stage.
- (8) Not applicable.

RAIL LINES — ELLENBROOK RAIL EXTENSION

2112. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) By year, how much funding across forward estimates has been allocated for planning, purchase of land and construction of the Ellenbrook rail extension?
- (2) Is any privately held land expected to be acquired to accommodate this rail extension or stations?
- (3) If yes, what entity owns the land and what is the current valuation of this land?
- (4) By year, how much funding across forward estimates has been allocated for planning, purchase of land and construction of the Byford rail extension?
- (5) Is any privately held land expected to be acquired to accommodate this rail extension or stations?
- (6) If yes, what entity owns the land and what is the current valuation of this land?

Ms R. Saffioti replied:

- (1) A total of \$20 million has been allocated across the forward estimates.
- (2) Land requirements are subject to ongoing planning and have not yet been determined.
- (3) Not applicable.
- (4) \$2.1m contribution has been allocated for planning the Byford Extension in 2018–19.
- (5) Land requirements are subject to ongoing planning and have not yet been determined.
- (6) Not applicable.

RAIL TRANSPORT — 2017–18 STATE BUDGET — CATEGORY B OCCURRENCES

2115. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) Why has the key effectiveness indicator for Category B occurrences been revised up from the 2016–17 budget target of 32.56 occurrences per million train kilometres to 43.34 occurrences per million train kilometres for 2017–18?
- (2) How many category B occurrences were there in 2016–17 for each incident category including slips, trips and falls, trespass and level crossing occurrences?
- (3) How many category B occurrences are estimated in 2017–18 for each incident category including slips, trips and falls, trespass and level crossing occurrences?
- (4) Was the Auditor General's Office involved in developing the new key effectiveness indicators?

Ms R. Saffioti replied:

- (1) In determining the 2017/18 target for Category B occurrences the PTA considered the number of Category B occurrences in previous years, which were:

2014/15 – 650;

2015/16 – 751. A 15.5 per cent increase on the previous year; and

2016/17 – 918. A 22 per cent increase on the previous year.

The PTA then applied a conservative estimate of a 9 per cent increase on Category B incidents (from 918 to 1,000), which resulted in the target figure of 43.34 occurrences per million train kilometres for 2017/18. The 9 per cent increase was applied globally to Category B incidents with no individual incident category breakdown.

A large proportion of Category B incidents are beyond the reasonable control of the PTA. The estimate set is an acknowledgement of the upwards trend of incidents. This is despite extensive efforts to control or reduce incident occurrence including a variety of marketing and community education campaigns.

(2)

Category	Number of Incidents
Trespass	328
Slip, Trip or Fall	220
Level Crossing Occurrence	103
Alleged Assault	71
Vandalism	48
Safeworking Rule or Procedure Breach	31
Signal Passed at Danger	24
Track and Civil Infrastructure Irregularity	21
Collision on Running Line	15
Suspected Suicide or Attempted Suicide	15
Alcohol or Drugs Irregularity	12
Electrical Infrastructure Irregularity	5
Fire	5
Derailment	4
Security Issue	4
Proceed Authority Exceeded	3
Collision in Yard	2
Rollingstock Irregularity	2
Signalling and Proceed Authority System Irregular	2
Explosion	1
Runaway	1
Terrorism / Sabotage	1
	918

- (3) There are 1000 category B incidents estimated for 2017/2018, a 9 per cent increase on the previous year.
- (4) No.

RAIL TRANSPORT — 2017–18 STATE BUDGET — CATEGORY B OCCURRENCES

2116. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) Why has the key effectiveness indicator for Category B occurrences been revised up from the 2016–17 budget target of 10.75 occurrences per million passenger boardings to 16.46 occurrences per million passenger boardings for 2017–18?
- (2) How many category B occurrences were there in 2016–17 for each incident category including slips, trips and falls, trespass and level crossing occurrences?
- (3) How many category B occurrences are estimated in 2017–18 for each incident category including slips, trips and falls, trespass and level crossing occurrences?
- (4) Was the Auditor General's Office involved in the revision of these key effectiveness indicators?

Ms R. Saffioti replied:

- (1) The Public Transport Authority (PTA) calculates the key effectiveness indicator for Category B occurrences per million passenger boarding's by dividing the expected number of Category B incidents by the projected passenger boardings and then multiplying this number by the standardising factor of 1,000,000.

As outlined in the answer to Legislative Assembly Question on Notice 2115, the PTA considered the increase in the number of Category B occurrences of previous years and applied a conservative estimate of a 9 per cent increase of incidents (from 918 to 1,000) for 2017/18. This resulted in the target figure of 16.46 for 2017/18.

- (2)–(4) Please refer to Legislative Assembly Question on Notice 2115.

PUBLIC TRANSPORT AUTHORITY — 2017–18 STATE BUDGET — EFFICIENCY INDICATORS

2118. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) Regarding the Public Transport Authority's efficiency indicator, Metropolitan Train Services passengers per service kilometre, why has the budget target for 2017–18 been lowered by ten per cent from the 2016–17 target?
- (2) What is the 2016–17 and estimated 2017–18 passenger per service kilometre for each rail line?
- (3) Was the Office of the Auditor General involved in the lowering of these Key Effectiveness Indicators?

Ms R. Saffioti replied:

- (1) The Average Passengers Per Service Kilometre in the 2017–18 Budget Target decreases to 2.86 (9.5 per cent) due to a forecast decline (5.9 per cent) in patronage combined with a 3.7 per cent increase in service kilometres as a result of scheduled railcar delivery and stadium operations.
- (2) Metropolitan train service passenger per service kilometre are not maintained for each rail line.
- (3) The Office of the Auditor General, audits the Key Effectiveness Indicator actuals annually and provides an opinion which is included in the Public Transport Authority's (PTA) Annual Report. For more than seven years the Auditor General has not raised any concerns with regard to the PTA's Indicators included in the annual report.

PUBLIC TRANSPORT AUTHORITY — 2017–18 STATE BUDGET — EFFICIENCY INDICATORS

2119. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

- (1) Referring to the Public Transport Authority's outcomes and key effectiveness indicators, why has the budget target for 2017–18 for Metropolitan Bus Services passengers per service kilometre been lowered by seven per cent from the 2016–17 target?
- (2) Which bus services have received the largest decline?
- (3) Was the Office of the Auditor General involved in the lowering of these Key Effectiveness Indicators?

Ms R. Saffioti replied:

- (1) The target was decreased to 1.14 (-6.6% below the 2016–17 target) to allow for predicted decreased patronage.
- (2) Route 291 received the largest per cent decline in average passengers per service kilometres.
- (3) The Office of the Auditor General, audits the Key Effectiveness Indicator actuals annually and provides an opinion which is included in the Public Transport Authority's Annual Report. For more than seven years the Auditor General has not raised any concerns with regard to the Public Transport Authority's Indicators.

PUBLIC TRANSPORT AUTHORITY — 2017–18 STATE BUDGET — AGENCY EXPENDITURE REVIEW

2123. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

Where will the Public Transport Authority achieve its \$28 million of Agency Expenditure Review savings?

Ms R. Saffioti replied:

The \$28 million saving was part of the Barnett Government's Agency Expenditure Review announced as part of the 2015/16 State Budget Mid-Year Review on 21 December 2015. This required the Public Transport Authority to identify savings of \$103.2 million over 2016–17 and across the forward estimates period. The following initiatives are identified to achieve the \$28 million Agency Expenditure Review savings:

Initiative	2016–17 \$'000	2017–18 \$'000	2018–19 \$'000	2019–20 \$'000
Bus service delivery efficiency improvement	3,000	3,000	3,000	3,000
Bus fleet savings	775	775	775	775
Rail infrastructure maintenance savings	715	715	715	715
FTE Reductions	600	600	600	600
Reduced Transperth signage expenditure	500	500	500	500
Reduced labour overtime	450	450	450	450
Contracts retender savings	440	440	440	440
Transwa coach savings	225	225	225	225
Dynamic Stand Management System operating costs savings	150	150	150	150
Energy savings at Public Transport Centre	75	75	75	75
Reduced use of consultants	50	50	50	50
Vehicle operating savings	15	15	15	15
Reduced cost of debt recovery	5	5	5	5
Total	7,000	7,000	7,000	7,000

PUBLIC TRANSPORT AUTHORITY — 2017–18 STATE BUDGET — ONE-OFF SAVINGS REDUCTION

2124. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

The budget papers (p642) refer to “a one-off savings reduction in 2016–17” of \$6.5 million for the Public Transport Authority, what is this one-off savings composed of?

Ms R. Saffioti replied:

The \$6.5 million savings resulted from favourable tender prices.

PUBLIC TRANSPORT AUTHORITY — 2017–18 STATE BUDGET — CCTV

2143. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:

Will the Minister please provide the value of the investment in CCTV systems for the Public Transport Authority for the following years:

- (a) 2012–2013;
- (b) 2013–2014;
- (c) 2014–2015;
- (d) 2015–2016;
- (e) 2016–2017;
- (f) 2017–2018;
- (g) 2018–2019;
- (h) 2019–2020; and
- (i) 2020–2021?

Ms R. Saffioti replied:

- (a) 2012–2013 – \$0.422M (Actual).
- (b) 2013–2014 – \$5.103M (Actual).
- (c) 2014–2015 – \$2.137M (Actual).
- (d) 2015–2016 – \$3.669M (Actual).
- (e) 2016–2017 – \$2.217M (Actual).
- (f) 2017–2018 – \$5.841M (Budget).
- (g)–(i) The amount for each year is determined during the annual budget process.

FORRESTFIELD–AIRPORT LINK — 2017–18 STATE BUDGET — OPERATING SUBSIDY**2144. Mrs L.M. Harvey to the Minister for Transport; Planning; Lands:**

In relation to the operating subsidy in the budget for the Forrestfield Airport Link which is estimated to be \$5.011million in 2018–2019, \$15.851 million in 2019–2020 and \$41.049 million in 2020–2021, I ask:

- (a) what patronage estimates are these subsidies based on for 2018–2019;
- (b) what patronage estimates are these subsidies based on for 2019–2020; and
- (c) what patronage estimates are these subsidies based on for 2020–2021?

Ms R. Saffioti replied:

- (a)–(b) Nil – the estimated commissioning of the Forrestfield–Airport Link is late 2020.
- (c) 5 million total boardings are estimated for the Forrestfield–Airport Link for 2020–21.

This subsidy was not factored into previous Government Budgets or forward estimates.

PERTH PARKING LEVY — FUND BALANCE**2231. Mr Z.R.F. Kirkup to the Minister for Transport:**

As at 1 July 2017, what was the balance of the Perth Parking Levy fund?

Ms R. Saffioti replied:

\$23.257 million

PUBLIC TRANSPORT AUTHORITY — SMARTRIDER DATA — POLICE REQUESTS**2233. Mr Z.R.F. Kirkup to the Minister for Transport:**

Since 1 January 2017, has the Public Transport Authority received any requests by Western Australia Police to access SmartRider data, and if so:

- (a) how many requests have been received, and how many of those requests were generated as a result of a subpoena being issued;
- (b) how many requests were granted; and
- (c) what is the nature of information that was requested?

Ms R. Saffioti replied:

Given the nature of the information being requested, the member is advised to refer this question to the Minister for Police.

It is noted the member does not appear to understand the impact of the question on current and future police operations in his electorate and the wider Western Australian community.

TRANSPERTH — TRAIN DRIVERS, SECURITY GUARDS AND REVENUE PROTECTION OFFICERS — PAID OVERTIME**2235. Mr Z.R.F. Kirkup to the Minister for Transport; Planning; Lands:**

Since 1 January 2017 how much overtime, if any, has been paid to:

- (a) Transperth train drivers;
- (b) Transperth security guards; and
- (c) Transperth revenue protection officers?

Ms R. Saffioti replied:

- (a) \$816,066.08
- (b) \$2,307,749.23
- (c) \$4,398.04

MINISTER FOR TRANSPORT — THE ENDEAVOUR CONSULTING GROUP PTY LTD — CONTACT

2308. Mr Z.R.F. Kirkup to the Minister for Transport; Planning; Lands:

I refer to the Premier's answer to Legislative Assembly Question on Notice 250 and ask, since 17 March 2017:

- (a) has the Minister or her current Ministerial staff met, or had any contact with, representatives of registered lobbyist The Endeavour Consulting Group Pty Ltd, and if so:
 - (i) what are the dates for each meeting or instance of contact;
 - (ii) who did The Endeavour Consulting Group Pty Ltd meet with or contact;
 - (iii) what was the topic of discussion for each meeting or instance of contact;
 - (iv) what third party, if any, was being represented by The Endeavour Consulting Group Pty Ltd;
 - (v) was any follow-up action agreed to by the Minister or her Ministerial staff, and if so what action was agreed to; and
 - (vi) what form did the contact take (i.e. email, phone), or for meetings, where did they take place?

Ms R. Saffioti replied:

Between 17 March 2017 and 19 October 2017, neither the Minister nor her current Ministerial Staff have met with representatives of The Endeavour Consulting Group Pty Ltd.

The Minister and her current Ministerial Staff may have had contact with representatives for administrative purposes only or may have had incidental or irregular social contact in which case this is not listed.
