



Parliamentary Debates

(HANSARD)

FORTIETH PARLIAMENT
FIRST SESSION
2019

LEGISLATIVE ASSEMBLY

Thursday, 11 April 2019

Legislative Assembly

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THE SPEAKER (Mr P.B. Watson) took the chair at 9.00 am, acknowledged country and read prayers.

PAPERS TABLED

Papers were tabled and ordered to lie upon the table of the house.

MINISTERIAL EXPERT PANEL ON VOLUNTARY ASSISTED DYING

Statement by Minister for Health

MR R.H. COOK (Kwinana — Minister for Health) [9.03 am]: I rise to inform the Parliament that the Ministerial Expert Panel on Voluntary Assisted Dying has now commenced consultation across Western Australia. Forums are being held through April and May 2019 to seek the views of members of the public, health professionals and other experts on what form the law should take to ensure that it is compassionate, contains appropriate safeguards and reflects the needs and wishes of Western Australians. Regional consultations commenced in Kalgoorlie last Thursday, 4 April, with 25 attendees, followed by Geraldton on Monday, 8 April 2019, with 56 attendees. Further consultations will be held in Broome, Bunbury and Mandurah. Details for the Mandurah consultation will be publicised shortly. We are committed to hearing from the regions. The metropolitan sites are Joondalup's HBF Arena, The Rise at Maylands and Fiona Stanley Hospital. The consultation at Fiona Stanley Hospital will include webinar links for people in rural and remote areas. Registrations for forthcoming events are high, with a significant number of people also accessing the online consultation.

At public forums, the panel is asking people to comment about the decision, eligible conditions and the process for voluntary assisted dying. It is important to sift fact from fiction. Over the coming months, MPs will be bombarded with misinformation and distortions of data by those who oppose voluntary assisted dying. A recent email that was widely circulated claimed that non-voluntary euthanasia occurred in eight per cent of all deaths in Belgium. Even the article that was cited for this assertion did not support that figure; it actually stated 1.8 per cent. Members need to be aware that non-voluntary assisted euthanasia is illegal in Belgium, as it is in every other jurisdiction around the world where voluntary assisted dying laws are in place. Voluntary assisted dying laws shine a penetrating light on all end-of-life decisions and improve practice across the board. In Belgium, the rate of non-voluntary euthanasia decreased after voluntary assisted dying was legalised by statute. During the same time, palliative care services increased.

I urge members to test whether the information they receive is reliable. Peer-reviewed, nonpartisan, parliamentary committee evidence, expert panel and court-endorsed evidence should be given much greater weight than anecdotal, editorial or mere opinion evidence. We must elevate the debate in this Parliament. All Western Australians can contribute their views via the health website.

ROAD SAFETY — BELT UP CAMPAIGN

Statement by Minister for Road Safety

MRS M.H. ROBERTS (Midland — Minister for Road Safety) [9.05 am]: Yesterday morning it was my great pleasure to attend the State Netball Centre to mark the renewal of the partnership between Netball WA and the Insurance Commission of Western Australia. This partnership is designed to promote the Belt Up campaign that has been run consistently by the Insurance Commission of Western Australia and the Road Safety Commission for a number of years now. This campaign has been promoting road safety by reminding people of the need to wear seat belts in all circumstances. The partnership has resulted in the distribution of over 30 000 netballs in Western Australia. I will show people this green ball with red writing, all marked with a Belt Up logo, which is very visual. Netball is a hugely popular sport. This year alone, some 9 000 netballs will be distributed to 230 000 competitors, playing in some 1 200 teams, many of which are located in the regions. This is a most effective way to convey a very simple message.

Although the driving culture is certainly changing, 30 per cent of crash fatalities and serious injuries are still caused by drivers taking deliberate risks such as not wearing their seatbelt. Last year, for example, 25 people were killed in fatal crashes whilst not wearing their seatbelts. We had a very telling reminder at the launch of the importance of seatbelts. I had the privilege of meeting a young man called Cory Payne. Cory is a car crash survivor. One night, four years ago, he rolled his ute. Although he sustained very serious injuries, he is still with us and still alive to tell his story only because he was wearing his seatbelt. I commend both the Insurance Commission and Netball WA for this partnership and for their longstanding commitment to road safety.

FUTURE OF MINING AWARDS

Statement by Minister for Mines and Petroleum

MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum) [9.08 am]: I rise to recognise and congratulate the Western Australian companies that participated in the Future of Mining Awards held in Sydney on Monday, 25 March. Western Australia's mining, engineering, technology and services sector, better known as the METS sector, is at the forefront of technological and safety innovation in the global resources sector. WA's METS sector is a leader in the field of innovation. It enhances our state's reputation as a destination of choice for providing solutions to challenging and dangerous problems experienced by industry. Western Australia's METS sector is also a significant contributor for diversifying our economy. It creates jobs through technological innovation and advanced manufacturing. I am very pleased that the Future of Mining Awards has continued to recognise the excellence that the Western Australian METS sector provides.

I would like to congratulate a number of companies. Northern Star Resources won the Operational Excellence in Mining Award, recognising outstanding operational performance and/or improvement in operating performance and safety. Bis won the Future of Mining Innovation Award, recognising collaborative innovation involving a mine owner or project developer that directly results in a stand-out commercial outcome, which is scalable and can be repeated across an organisation or sector. I congratulate Mader Group for winning the Mining Contractor of the Year Award, which recognises the drilling, mining or construction contractor that secured the highest number of new contracts during the previous year. I also congratulate ReRisk for winning the Future of Mining Safety Award, which recognises outstanding achievement in worker safety through new technology, process and servicing applications to provide ongoing safety excellence. I would also like to acknowledge IMDEX, which was nominated for the METS Exporter of the Year Award and was unfortunate not to win this year.

“MINISTERIAL REVIEW OF THE STATE INDUSTRIAL RELATIONS SYSTEM: FINAL REPORT”

Statement by Minister for Industrial Relations

MR W.J. JOHNSTON (Cannington — Minister for Industrial Relations) [9.10 am]: I rise to table the “Ministerial Review of the State Industrial Relations System: Final Report”. The review was commissioned in September 2017 to deliver on the government's election commitment to review the state industrial relations system. The eight terms of reference focused on making the state system modern, fair and accessible. The review was carried out by Mark Ritter, SC, and the member for Forrestfield, Stephen Price, MLA. The final report makes 85 recommendations for reform across the eight terms of reference. Key recommendations are the inclusion in the Industrial Relations Act 1979 of an anti-bullying jurisdiction for workers, modelled on the commonwealth Fair Work Act 2009, and an equal remuneration framework similar to the Queensland Industrial Relations Act 2016. The review recommends that the definitions of “employee” in the Industrial Relations Act and in the Minimum Conditions of Employment Act 1993 be amended to remove the existing exclusions. Domestic service workers in a private home are currently excluded from coverage by these acts. Commission and piece-rate workers, National Trust wardens, and workers with a disability in supported employment are also excluded from the MCE act. The review notes that removing the exclusions is necessary to ensure Western Australian laws are compliant with the International Labour Organization Protocol of 2014 to the Forced Labour Convention, 1930. The protocol aims to support the global fight against forced labour, human trafficking and modern slavery.

Noting that there are currently significant gaps in award coverage, the review recommends that the commission be required to amend the scope of awards so that all state private sector employees are covered by an award, except for those not traditionally covered by an award, including high-income earners. The review also recommends that penalties for breaches of employment laws be increased and that the act be amended to strengthen the powers of industrial inspectors. Amendments to modernise the Long Service Leave Act 1958 are also recommended. The review contained a term of reference to consider whether local government employers and employees in Western Australia should be regulated by the state industrial relations system. The review made four recommendations relating to local government. The review's recommendations set out a comprehensive blueprint for the government to consider how the state industrial relations system could be enhanced and modernised.

The McGowan government will be proceeding with a first stage of legislative reforms in response to the final report. The proposed reforms will focus on increasing protections for workers and will pick up on many of the issues outlined in this statement. I also table a brief summary of our proposals.

I wish to extend my sincere thanks to Mr Ritter and Mr Price for their considerable work on the review. I also wish to thank the many stakeholders who made submissions to the review.

[See papers 2366 and 2367.]

DEPARTMENT OF COMMUNITIES — HOMELESSNESS*Statement by Minister for Community Services*

MS S.F. McGURK (Fremantle — Minister for Community Services) [9.13 am]: I rise today to update the house on the state government's important work in making inroads towards ending homelessness. Last week, I launched a directions paper, developed by the Department of Communities under the auspices of the supporting communities forum. The paper synthesises the work done to date, focuses community effort, and starts to map the path forward to creating long-lasting change. It provides an opportunity to consult widely on the key strategic directions to addressing homelessness in Western Australia. Importantly, it allows us to do so through an informed position. We are trialling new ways to work with the supporting communities forum and service providers to address the issue, and consulting directly with communities around the state. Fourteen consultations have already occurred from Kununurra to Kalgoorlie, and here in Perth. Feedback sought from the community through online surveys generated over 275 responses. We also received direct feedback. We are considering evidence through specialised research from leading academics, and working constructively alongside the efforts of WA Alliance to End Homelessness and multiple local governments. Most importantly, we are working from an informed position by ensuring that we hear the voices and needs of those with lived experience.

The directions paper provides future directions, focus areas and potential actions, and seeks feedback prior to the finalisation of the state homelessness strategy. I would like to thank the countless people who have been involved in this work to date. I know that homelessness is an area that several members in this chamber have an interest in. I would encourage all of them to join the government in promoting this work within their communities because only by working collaboratively will we start to realise outcomes for vulnerable citizens.

JUDICIAL APPOINTMENTS — JENNIFER HILL AND JOHN VAUGHAN*Statement by Attorney General*

MR J.R. QUIGLEY (Butler — Attorney General) [9.15 am]: I rise to announce the appointment of two senior judicial officers. The first is Ms Jennifer Hill, who has been appointed as a judge of the Western Australian Supreme Court. Ms Hill has an extensive legal career spanning almost 25 years. She was first admitted to practice in Western Australia in 1994. From 1992 to 1993, Ms Hill was associate to the Honourable Justice Walsh of the Supreme Court. In 1994, she joined Bennett + Co as an articled clerk and became a partner of that firm in 2001. In that role, Ms Hill acted in a wide range of litigation and advisory matters for both listed companies and individual clients. Between 2005 and 2015, Ms Hill was a partner at Norton Rose Fulbright, after which she joined Clifford Chance where she is currently a partner in the litigation and dispute resolution team. Ms Hill specialises in representing parties in the energy and resources sectors and advising on corporate and shareholder disputes and investigations. Ms Hill holds a number of professional positions including being a member of CEOs for Gender Equity Western Australia, the Courts Committee, the Human Rights and Equal Opportunity Committee, the Law Society of Western Australia, and the Joint Law Society/Women Lawyers of WA. Ms Hill is also the Law Society of Western Australia representative on the Equal Opportunity Committee of the Law Council of Australia.

The next appointment is that of Mr Justice John Vaughan, who will be leaving the General Division of the Supreme Court of Western Australia after being appointed to the Court of Appeal of Western Australia. Justice Vaughan's legal career spans more than 25 years. In 2003, Justice Vaughan was appointed Senior Counsel. He practised as a barrister and solicitor for several years before joining the independent bar in 2007. In 2018, Justice Vaughan was appointed as a judge of the Supreme Court, bringing with him a wealth of knowledge and experience to the bench. After his commissioning as a Court of Appeal justice on 4 June, Justice Vaughan will also be engaged in the Corporations List in the Supreme Court.

I congratulate Ms Hill and Justice Vaughan on these appointments and look forward to their continued contribution to the Western Australian legal system.

LEGAL AID WESTERN AUSTRALIA — SENIORS*Statement by Attorney General*

MR J.R. QUIGLEY (Butler — Attorney General) [9.17 am]: I rise to share with members Legal Aid Western Australia's new specialist legal unit to prevent and raise awareness about elder abuse, and safeguard the rights of older Western Australians. Legal Aid has decades of experience in helping people affected by elder abuse. Family violence lawyers help older people to get restraining orders when they are victims of violence at the hands of family members. Lawyers specialising in civil law help older people who are victims of "assets for care" arrangements or who have been forced to use their home as security for a loan to adult children. Family lawyers also help older people to get orders enabling contact with grandchildren when adult children unreasonably withhold contact from them.

Legal Aid receives thousands of calls on its infoline every year about elder abuse. Recently, Legal Aid decided to better coordinate these services by creating the seniors rights and advocacy service. This service provides free legal advice and assistance to older people who have experienced elder abuse or who are at risk of experiencing

elder abuse. It coordinates and triages elder abuse services provided across all practice areas at Legal Aid WA, including civil law and family law at regional offices and other intake areas. Lawyers working in the seniors rights and advocacy service are helping older people who are planning for the future by advising them about enduring powers of attorney, enduring powers of guardianship, guardianship and administration orders, and advance health directives; providing legal assistance in guardianship and administration when someone lacks decision-making capacity; assisting with family disputes, including when adult children refuse to move out, pressure their parents to act as guarantor or use their home to secure loans, or misuse their parents' ATM cards; and providing protection for older people who wish to live in granny flats or move in with family.

The Legal Aid seniors rights and advocacy service provides representation in certain guardianship and administration matters in the State Administrative Tribunal; mediation or dispute resolution of suitable matters; referral for pro bono assistance of potential litigation matters; information and community legal education sessions; and enhanced referral pathways and linkages with a wide range of community and local government agencies. This is the latest of Legal Aid's growing list of innovations, which now offers a mortgage hardship service and provides legal information via online chat.

On behalf of the government of Western Australia, I once again thank Dr Graham Hill, the director of Legal Aid; the chair of the Legal Aid Commission of Western Australia, Hon Jane Crisford, SC, and all those on the commission, the board and the Legal Aid staff for their ongoing efforts to combat elder abuse, serve older Western Australians and broaden the services of and access to the Legal Aid Commission in these important areas.

RACING AND WAGERING WESTERN AUSTRALIA — THOROUGHBRED RACING COMMITTEE

Grievance

MR J.E. McGRATH (South Perth) [9.20 am]: I wonder whether the Treasurer choked on his Weeties on Tuesday morning when he saw the headline in *The West Australian* that said "All bets off for the TAB?" Until I saw the question mark, I was thinking, "What is happening here? Is the industry going to oppose the sale of the TAB?" But then I saw, "Sale rocked by industry ire". The genesis of this story started last week—I know that it has been raised in Parliament—when all five members of the Thoroughbred Racing Committee, a subcommittee of the Racing and Wagering Western Australia board, wrote a letter of resignation to the chairman of RWWA, Mr Jeff Ovens, and also provided a copy to the minister. The members who signed the letter were Frank Fiore—a constituent of mine in South Perth—Alan Bansemer, Anthony Cipriano, Jarrod Rendell and Neil Pinner. The letter of resignation is very interesting because part of it states —

In recent months, TRC Members have become increasingly concerned about the direction and role of the TRC, and despite attempts to actively engage in discussions about ways of improving the working arrangements, we don't believe there is intent from RWWA Management and the Thoroughbred code representative on the RWWA Board to genuinely engage and improve the situation.

There have been amendments proposed to the TRC Charter to change the scope of the TRC and limit the role of the members to only provide advice to the Thoroughbred code representative of the RWWA Board on specific matters relating to the WATAB Privatisation ... this goes against the reasons for the establishment of the TRC by the Minister for Racing, to provide informed and considered recommendations to the RWWA Board on a range of matters for improvement on behalf of the industry. The proposed changes to the TRC Charter have the ability to be ... very divisive ... for the thoroughbred code, and significantly diminish the TRC's ability to have impact.

We feel that the operation and effectiveness of the TRC in recent times has been completely eroded by the manner in which the Committee has been chaired and engaged on these matters —

The chair of that committee is a member of the RWWA board —

The last straw for the Members has been the action of Perth Racing withdrawing their nominee from the TRC and their decision not to continue their involvement in the TRC.

There has been a lot of uncertainty in the industry since Labor won government and the Minister for Racing and Gaming was appointed. I know that the minister has sheeted home some of the blame for that on to the Barnett government when, it could be said, we threw the cat among the pigeons by suggesting that we would onsell the TAB. But in an interview with Gareth Parker on 6PR on 23 August 2017, the minister acknowledged that there was a degree of uncertainty and also a fair amount of division within the racing industry and that he was moving to deal with that. The minister said that there was a plan to sustain the racing industry in the long run and that that must involve collaboration with the industry, which must be part of any deliberations to ensure the industry has ownership of the pathway forward. The minister also said that Mr Richard Burt, the CEO of Racing and Wagering Western Australia, had moved to create advisory groups from each of the three codes to provide him and the board with direct input about the concerns and issues that confront them. The minister also said that the discussion is not solely around the TAB. This is the nub of the problem faced by the members of this board. These

honourable people were all elected to this board to represent the various sections of the thoroughbred code that they are involved in. There is general concern in the industry about RWWA's unilateral decision-making process. We all know that RWWA's charter is to run the industry. The industry did not want any political interference, and that is fair enough. But I keep hearing concern—I am sure the minister hears it because he meets with racing people—about the goalposts being moved very effectively by RWWA if the wrong person is nominated for the board by an industry group. We saw that happen with Michael Grant. Under RWWA's charter, the person who gets the most votes from sections of the industry is appointed to the RWWA board. I believe that Michael Grant had five groups supporting him and the other successful candidate had three groups supporting him, but Michael Grant did not get the gig. For some reason, someone on the board did not want Michael Grant to be elected. If a charter is in place, the board should not be able to move the goalposts when it suits it just because it does not like a particular candidate. This has happened again in this instance. This whole matter smells a bit fishy when we learn that the Perth Racing representative on this committee is Neil Pinner. He used to be the chairman of Perth Racing but there was a bit of a political issue and for some reason he resigned. However, he was still on this committee. Last week, Perth Racing sent a letter to Jeff Owens, the chairman of the RWWA board, saying —

On behalf of the Western Australian Turf Club Board of Directors, I would like to officially inform you of our loss of confidence in our nominated representative to the Thoroughbred Racing Committee (TRC), Mr Neil Pinner.

As per Clause 6 of the TRC Charter, we consider Mr Pinner no longer eligible to represent Perth Racing on the TRC Committee.

I believe that Neil Pinner was not even called in to be told by the directors that they were not happy with what he was doing or that they wanted to replace him. They did not even replace Neil Pinner in the end; they just decided to pull out of the committee. That in itself is something that has raised questions because Perth Racing is a very powerful group.

In closing, although it is not up to government to interfere with RWWA, it is the Minister for Racing and Gaming's role to make sure that everything is running well within the industry. I know that the minister has met with some members of the racing group, but I am asking him today for his view on what has happened in the last four or five weeks and what he thinks can be done to make sure that the racing industry is more satisfied.

MR P. PAPALIA (Warnbro — Minister for Racing and Gaming) [9.27 am]: I thank the member for South Perth for his grievance. At the outset, I would like to reconfirm that the recent resignations from the Thoroughbred Racing Committee and its disbandment is an industry matter between the thoroughbred racing code and the principal racing authority, Racing and Wagering Western Australia. However, in saying that, I thank the member for raising this matter today because it enables me to dispel some of the mistruths and inaccuracies expressed in recent commentary and the article to which the member referred.

By way of background on the formation of the TRC and RWWA's communication with industry, I can advise the following. RWWA, as the principal racing authority, has historically consulted with the industry via the legislated racing eligible bodies through the Thoroughbred Racing Consultative Group on a quarterly basis. In late 2017, RWWA implemented a further layer of governance with the establishment of the TRC to make recommendations to the RWWA board on strategic matters concerning the thoroughbred code. The same was applied to the harness and greyhound industries that also have committees for that purpose. Over the past 15 months, RWWA has worked with TRC on a range of corporate and thoroughbred strategic matters. However, since the establishment of the TRC, RWWA has received ongoing feedback from the industry through the eligible bodies. The TRCG is a bigger body including more representatives from across the industry. It requested better consultation from the TRC with the eligible bodies via the TRCG.

Following feedback from industry and the acknowledgement of the need to focus on the sale of the TAB, the biggest single issue confronting the industry at the moment, I understand the board approved a change in the TRC charter at the March 2019 meeting. The Harness Racing Committee and the Greyhound Racing Committee have both accepted the revised charters and limited strategic scope to focus solely on the Western Australian TAB sale and welcome the opportunity to play their role in this process while the HRCG and GRCG focus on other strategic matters relevant to their codes. The bigger bodies are focusing on other matters. Their versions of the TRC in harness and greyhound racing are focusing on the TAB sale.

Industry feedback in the harness and greyhound codes is that the HRC and GRC have been actively engaging them since their inception and those committees are confident that the HRCG and GRCG can continue the momentum from the strategic matters they have been working on while they focus on the key strategic issue; namely, the TAB sale. As the member would appreciate, the thoroughbred code is a large and complex sector of the racing industry with people coming from all areas of the state, both metropolitan and regional, to participate in many different roles, including jockeys, owners, trainers, breeders and club members just to name a few. It is no surprise that this means that across the code, there are many different perspectives and viewpoints on matters impacting on the racing industry, such as governance, funding and infrastructure upgrades.

Although the commentary in the article in *The West Australian* suggests the sale of the TAB process was a major contributor to the TRC decision, it is a lot broader than that. I can confirm that because I met with the entire TRC, with the exception of Neil Pinner, the day before they resigned. Dare I say, a handful of people within the thoroughbred industry will never be happy, no matter what the government does.

Both RWWA and government have continually consulted and updated key stakeholders, including the racing industry, throughout the initial consultation process prior to deciding on the sale of the TAB and subsequently during the progress of the sale process. Despite the dissolution of the TRC, I understand that RWWA will continue to engage with the eligible bodies, through the TRGC, as well as the greyhound and harness code committees, which will continue to operate and have been unaffected by the TRC resignations. The other two codes are completely unaffected.

While I have this opportunity, I want to touch on the TAB sale process and the criticism that is put forward about that process in *The West Australian* article and other commentary. The years of uncertainty facing the racing industry were created by the previous Premier when he unilaterally announced in 2013 the sale of the TAB without any consultation or due diligence. Subsequently, the former government's ministers took no action to pursue that matter. From 2013 to the end of their term of government, there has been uncertainty. That was true; there was uncertainty. When the McGowan government came to office, it did not have a commitment to sell. It was going to sell only if the industry wanted it. The McGowan government completed a broad consultation period. The reforms to the racing industry were developed in close consultation with the industry. Consultation involved 12 metropolitan and regional forums and 107 submissions to a discussion paper as well as meetings with the RWWA board and its thoroughbred, harness and greyhound racing subcommittees. Overall, feedback was supportive.

Government has been in close consultation with industry throughout this process, and from that consultation has reached the overwhelming consensus that selling the TAB is in the best interests of the local racing industry across the state. The chairperson of each of the three racing code subcommittees—thoroughbred, harness and greyhound—all wrote to the government last year to indicate that consultation with government on the potential sale has been constructive and transparent. Submissions to a discussion paper on the sale of the TAB indicate broad acceptance of our plan across the industry. In particular, submissions are focused on how best the sale can be structured, rather than whether it should proceed.

As the member is aware, the sale will guarantee that the industry secures funding to ensure the long-term sustainability of the industry, instead of relying on a drip-feed of funding from the government of the day. Further, to end the years of uncertainty for the racing industry, the McGowan government has implemented the point of consumption tax, working to secure the best package for industry in the entire country. That is undeniable; no-one has questioned that. This could not have been achieved without consultation and advocacy from industry. They have helped to secure an annual, reliable revenue stream for the industry for years to come. The sale of the TAB was not high on our agenda when we came to government. However, in response to industry desire for certainty and the continued long-term stability of the racing industry, we commenced a thorough consultation process shortly after being elected and are now progressing with the sale of the TAB.

I want to be clear before I conclude that this is the process; this is the offer. I signal to everyone in the industry and everyone in Parliament that there is no other offer. If this does not go ahead, it is not the government that will be concerned or pained, but the industry. I urge everyone to stay focused on getting the job done and achieving certainty for the industry through the sale of the TAB.

FAMILY AND DOMESTIC VIOLENCE — PEEL REGION

Grievance

MRS R.M.J. CLARKE (Murray–Wellington) [9.34 am]: My grievance about the statistics of family and domestic violence within the Peel region is to the Minister for Prevention of Family and Domestic Violence. It is an unfortunate reality that family and domestic violence is a major issue within the region, with high rates within both the Shire of Murray and the City of Mandurah. Although the population centres of Pinjarra and Mandurah have been shown to be hotspots for family and domestic violence, smaller areas within my electorate of Murray–Wellington are also not immune. Family and domestic violence is also seen in the outer rural and urban areas in the Shire of Murray and within the Shire of Waroona, although fortunately at lower levels than in the major town centres. I hope the minister is able to provide further information on the recent crime statistics in the family and domestic violence areas, particularly for Pinjarra and Mandurah.

I regularly speak with constituents and service providers who are concerned about the high statistics for family and domestic violence in the region, as well as access to support for those affected. I know the minister is well aware of the issues faced by victims in the Peel region and that there is a plan in place to help support those who need it most. Local service provider Allambee Counselling has received over \$1 million to support its work in the community and, importantly, a second domestic violence refuge will open in the Peel region by 2021. In a state first, the therapeutic refuge will provide tailored services to survivors with complex mental health, trauma and substance use issues. The service will also have flexibility in responding to clients' needs, taking into account the individual needs and client mix at any one time. The importance of this to the region cannot be overstated as it

will reduce the immense pressure on existing providers and ensure that women and children from right across the region have access to the support they need. With the reinstatement of the Mandurah policing district, there are now also more police in the local police stations to deal with issues when they arise. This is in stark contrast to previous years, when the resources in the region to manage the demand simply did not exist.

This is an issue that I am passionate about. As I believe that survivors should not be disadvantaged due to the location they live in, I am an alliance member of Peel Says No to Violence, a community project set up to help raise awareness and understanding of family and domestic violence within the region and to take action to help prevent it and support survivors.

The ACTING SPEAKER (Ms M.M. Quirk): Member for Vasse, can I ask you to take that conversation outside.

Mrs R.M.J. CLARKE: By increasing community awareness of both the issue itself and the support services available, the project aims to eliminate family and domestic violence from the region.

The ACTING SPEAKER: Member for Murray–Wellington, can you sit down for a second? Member for Vasse, I asked you to take that conversation outside. Thank you, member for Murray–Wellington.

Mrs R.M.J. CLARKE: Thank you, Madam Acting Speaker.

Community-based projects such as Peel Says No to Violence provide hope that attitudes are changing and the wider public is becoming aware of the seriousness of the issue. In an ideal world these changing attitudes would mean that one day those services would not be needed, but in the meantime it is important that the community is kept educated of the significance of family and domestic violence in our area, that support is readily available to victims when they need it and that perpetrators are kept accountable. Having a ministerial portfolio committed to the prevention of family and domestic violence has ensured that those concerns are taken seriously. I ask the minister to provide an insight into the recent crime statistics for family and domestic violence in Pinjarra and Mandurah and to provide an overview of the government's commitment to tackling family and domestic violence in the Peel region.

MS S.F. McGURK (Fremantle — Minister for Prevention of Family and Domestic Violence) [9.39 am]:

I thank the member for raising this important issue in the house, and particularly for her focus on working with her community to understand the problem of domestic violence and her response to this issue through her involvement with the Peel Says No to Violence coalition. The member was present at a meeting in late February in the Peel region with the community services sector hosted by the member for Mandurah, which was a great coming together of a range of different service providers who were interested in talking about, not only domestic violence, but also other social issues facing the local area. Certainly, domestic violence was an important issue that was discussed. It was good to be able to give some assurance to the community sector about the McGowan government's proactive approach to community services, including domestic violence.

I can talk about a lot of things in terms of our work in the community, particularly relating to community safety. At the core of what we are trying to do with domestic violence is to make sure that we place vulnerable people at the heart of decision-making, and not expect that those vulnerable people traverse their way through different services; that we work from a firm evidence base when looking at our response; and that we track outcomes for families and their communities, so that we have a firm line of sight on how we are going in terms of outcomes and the effectiveness of our interventions and supports. That is a framework that is informing all our work in relation to supporting communities.

As the member said, we now have me as a dedicated minister on the issue of domestic violence, and we have prioritised implementing a series of election commitments that we took to the 2017 state election. That includes over \$20 million of new funding into programs and supports, strengthening legislation to protect victims, and mapping a strategic path forward over the next 10 years so that we can start to make inroads, not only to a better response, but also doing important work to prevent domestic violence from occurring in the first place. Not a day goes past that the issue of preventing violence from occurring in the first place is not raised with me.

Of course, the member knows that the Attorney General, in his responsibilities as Minister for Commerce, shepherded important changes to the Residential Tenancies Act to protect victims of domestic violence. Those amendments become law next week. They are important protections, and in fact will mean that Western Australia has among some of the strongest protections in the country for victims of domestic violence who are residential tenants. Therefore, they will be able to make changes to their property without asking permission; stay in the home if they choose and be able to apply to the court to have the perpetrator's name removed from a tenancy agreement; install CCTV security in their rental home; and not be liable for property damage, unpaid rent and disbursement of the bond if any of those damages were not their fault but resulted from domestic violence.

The member asked specifically about the Peel region and the statistics relating to domestic violence. Firstly, one of the difficult issues in tracking the amount of domestic violence in our community is that we know it is under-reported. While we want to see the incidence of domestic violence go down, we also want to see reporting go up. The more we talk about domestic violence, the more we might see the number of reports go up. I will give a few examples specifically from your electorate, member, in the City of Mandurah and the Shire of Murray, including the Town of Pinjarra. According to the statistics for 2017–18, in the categories of threatening behaviour

(family) and assault (family), police recorded 774 incidents in Mandurah and 117 incidents in the Shire of Murray. Again, I hasten to say that we think these reports understate the extent of the problem. Members of the member's community sector who met with us in late February indicated that they certainly believed that that was the case, as they see not only a number of incidents of domestic violence, but also the knock-on effects of domestic violence. It is expected that domestic violence is the leading cause of homelessness amongst women, but we also see the trauma that occurs over generations when children witness and experience domestic violence themselves. There are wideranging implications of high levels of domestic violence in our community.

I spoke earlier about the need in our community services response to make sure that victims are at the heart of any services and assistance we give people, and that will inform the model for the new refuge that we have committed to put in place in Peel; that is, we will have a therapeutic model in that refuge. A number of refuges around the state link victims of domestic violence to other services, and they do fantastic work doing that, but in this new refuge we will have services either co-located or at the heart of the response there, including mental health services, drug and alcohol services, and financial counselling. We are trying to make sure that we can get women and their children back on track so that they can lead safe, happy and secure lives into the future.

SMALL CHARTER VEHICLE INDUSTRY

Grievance

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [9.45 am]: I rise to put my grievance to the Minister for Transport on behalf of the small charter vehicle industry. I would like to thank the 25 members of the sector—small business owners—and also Stephen Moir from the Motor Trade Association of Western Australia, who have come to the public gallery today, taking time out of their businesses because they are currently in dire straits trying to survive.

Minister, the small charter vehicle operators, as indicated in the government's own document, were not consulted as part of the changes to the on-demand transport industry. As a result, they have ended up being the meat in the sandwich. They have the worst of both worlds: they have to pay the levy, collect the levy from their customers, but they are not eligible for any of the buyback or compensation packages.

Small charter vehicle regulations require these operators to have a luxury car—my understanding is that the vehicle had to be valued at \$55 000 or more. The operators were regulated in that they have to charge a minimum of \$60 for their services. Some changes were made. As a result of the luxury car requirement, the small charter vehicle operators who have come to see me are now having to purchase luxury car vehicles from European manufacturers as Statesman cars are no longer being made. One such operator is a local constituent from Scarborough who has bought a couple of Mercedes-Benz vehicles. The total investment for his two vehicles was \$192 000 or thereabouts. Having purchased the vehicles, there is an immediate devaluation of that investment by about \$42 000, because of luxury car tax, GST, fees and charges, registration and all the rest of it. Most of these purchases are made under a bank loan arrangement, so the operator is paying interest and capital repayments for the purchase of their vehicle on a capital investment already devalued quite significantly.

The situation they face with the imposition of the levy is that many of these small charter vehicle operators have fixed contracts with individuals. They are competitive with the taxi industry. For example, if someone is taking a trip to the airport from Mosman Park or Scarborough, they might be looking at a fare of \$80 plus GST, which is about \$88. With the imposition of the levy, that now shoots that price up to \$96, which makes them completely uncompetitive and puts them out of the market. Many of these small charter vehicle operators are suffering from the effects of this levy. Some are looking at a 50 per cent reduction in their turnover in the space of one year. The fact is that the small charter vehicle operators were not consulted. The Department of Transport accepts that it did not understand the structure of the industry, and because of that lack of understanding, the operators have been caught in a very difficult bind.

They have not been able to get an audience with the minister's office, which has been very frustrating for them. They feel that their specific set of circumstances needs consideration and they are seeking an exemption from the collection of the levy under the regulations. Under the new system they now have to pay a new omnibus fee, pay an application fee, and register as an on-demand booking service operator. The omnibus fee, the annual inspection fees, and fuel costs have gone up. Insurance premiums for these operators has gone up exponentially due to the way in which they are insured. Uber has had an impact on the risk to insurers. Everybody in the on-demand transport industry is now paying higher insurance costs as a result of claims by the unregulated entrant. I put it to the minister that these operators are a critical part of our tourism industry and occupy a very specific niche in the tourism sector. Many of them were quite offended when someone in the Department of Transport said that if a consumer can afford to pay for a limo to take them to the airport, they can afford to pay the levy as well. But that ignores that a lot of charter customers are fly in, fly out workers who need to get to the airport at odd times and do not want to take the risk of a taxi or an Uber not turning up. They book small charter operators because they know they can rely on them to pick them up and get them where they need to go. Charter operators have ongoing relationships with FIFO workers. They know that they have a pickup from a specific point and a drop-off at a specific point every two weeks. These arrangements are made with a lot of customers for a year while they are operating under a particular roster. Bearing in mind that

these drivers are not eligible for the compensation package, if a passenger takes an Uber to the airport for a \$40 fare, the levy will be \$4, but if they book a limo and pay \$85, the levy will be \$8. Charter operators are basically stumping up double the value of the tax as all other operators in the sector, but they are not eligible for any compensation. They really are the meat in the sandwich. They have not been considered as part of the on-demand transport changes and are in a very difficult bind as a result. They cannot absorb the levy because they have leveraged themselves with luxury vehicle purchases, which were made on the expectation of a fixed fare base. For them to absorb \$8 of every trip would take away their profit. We are asking for them to be exempted from the levy under the regulations or to be compensated for the losses that they have suffered.

MS R. SAFFIOTI (West Swan — Minister for Transport) [9.53 am]: I thank the member for Scarborough for the grievance. I welcome Stephen Moir from the Motor Trade Association of WA and representatives from the charter industry, who are in the public gallery today. I want to clarify a couple of things about consultation. My office has met with members of the charter industry. My office, the Department of Transport and I have met with representatives from the MTA about the charter industry. As I said in Parliament a number of weeks ago, this is a difficult one. Their role in the industry in the past and the challenges they face are difficult. As I have said before, the reforms of this industry are challenging. I have never tried to say that it is easy. It is a significant reform across industry. Many people are finding it challenging to transition and we are doing all we can to try to assist them. I take issue with the member's comments about consultation. As late as yesterday some meetings were held in my office and the member for Armadale's office about this industry and the challenges that it faces.

The member raised the regulations. A lot of the changes to this industry happened in 2016 under the member's government, when, I understand, the member for Bateman was the minister. A lot of the changes about minimum fares and other regulations were made then. It was not pointed out that the deregulation of that sector of the industry commenced in 2016.

As I have said in this chamber, we specifically considered the role of these operators in the market. We have tried to address a number of the issues put forward by putting a cap of \$10 on the levy to make sure that higher-priced journeys were not impacted. We moved to address the more boutique services, such as the wedding limousine and other boutique industries, because they were administratively far easier to address. Charter services have and do compete with the on-demand service industry. I have had specific meetings to see what we could do that would have a practical impact and assist the industry. But the reality is that it competes a lot with the on-demand industry and we have found it very difficult to get specific —

[Interruption from the gallery.]

The ACTING SPEAKER (Ms M.M. Quirk): To the member of the public who interjected, that is disorderly. Can you listen in silence to the minister?

Ms R. SAFFIOTI: We are trying to figure out a mechanism that would assist with fixed contracts in particular. I understand that charter operators may have prearranged contracts with a third party. We have always said that we are keen to continue work to assist the industry. My department advised me this morning that it continues to work with operators to see what can be done to assist the transition when there are fixed-term contracts. We will continue to have those discussions and look at any mechanism we can implement to ensure that for fixed-term fixed-price contracts it will not allow the levy to be passed on, to a point. We are trying to work with those specific operators.

Mrs L.M. Harvey: Excuse me. Is there any way you would consider an exemption from the levy for existing small charter vehicle operators for a couple of years while they adjust their arrangements?

Ms R. SAFFIOTI: We have considered all these types of options, but fairness must be considered too. We understand that this levy applies to the whole industry. There are those in the taxi industry who do not think the levy should apply to them and that it should have been a specific Uber levy. But this levy applies to the whole industry. But the reality is, who is paying for the reform of the industry?

Mrs L.M. Harvey: But it does not apply to tourism operators.

The ACTING SPEAKER: Member!

Mrs L.M. Harvey: These are small charter vehicle operators who view themselves as an integral part of the tourism industry.

Ms R. SAFFIOTI: So does the taxi industry and the on-demand industry. There are different types of tourism operators. It has been difficult to go through individual circumstances in the on-demand space. We are trying to continue to work that through. There is also the issue of fairness and of who uses charter vehicles or normal on-demand services and who, in a sense, should be paying the levy. There is also the fairness argument for consumers as well. This is not an easy problem. I have spent a lot of time working through this with individual operators who have approached the Department of Transport and we will continue to do that. The reform of this industry is very difficult. The Motor Trade Association has been very good in supporting and representing its members and has approached us on a number of occasions. I will continue to work to see how we can make that transition smoother for all industry participants.

WANNEROO ROAD, ROMEO ROAD AND KAROBORUP ROAD — INTERSECTION*Grievance*

MS S.E. WINTON (Wanneroo) [9.58 am]: Before I begin my grievance, may I say that it is really lovely to see you back in the chamber, member for Girrawheen.

The ACTING SPEAKER (Ms M.M. Quirk): Thank you.

Ms S.E. WINTON: My grievance is to the Minister for Transport. I thank her for allowing me to bring this grievance to her. It relates to a dangerous intersection on Wanneroo Road in my electorate. Wanneroo Road is the spine that runs through my electorate from the southern suburbs of Pearsall and Hocking to Carabooda and Nowergup in the north. Wanneroo Road, as we all know, is a significant regional road that carries through-traffic coming from the north and south of the state and a significant number of trucks and commercial vehicles. The amount of traffic on Wanneroo Road has increased with the expansion of urban areas in the north and the development of Alkimos. There is also the local traffic of my constituents who live in Nowergup and Carabooda. Increasing growth in the area is putting pressure on Wanneroo Road and, in particular, on an intersection that has been dangerous for many, many years and is becoming increasingly so. The particular stretch of road I refer to is where Wanneroo Road intersects with Romeo Road and Karoborup Road in Nowergup. It is dangerous because the road in that section is a single lane road. Wanneroo Road to the north and south has dual lanes, but at this intersection, where people are trying to get off Wanneroo Road and onto Karoborup Road, it is a busy single-lane road. There is no safe way to exit Wanneroo Road at that point because there are no turning lanes or hard shoulders to allow the traffic behind the cars waiting to turn to pass them. The speed limit at that point is 90 kilometres per hour, so residents or other drivers who might want to turn in to the service station there or Karoborup Road are sitting ducks in the middle of the road while they are waiting to turn.

There have been a number of accidents and fatalities at this site over the years. I briefly highlight one in particular, back in 2015, that was really horrific. A woman was travelling north along Wanneroo Road, wanting to enter Karoborup Road. A truck carrying bricks behind her collided with her and she tragically died at the scene. It was a horrific accident, but it was not a surprise to the local residents, who have experienced or have known of accidents at that site over many years. There have been crashes, near-misses and fatalities.

I draw to the minister's attention that in 2015 the then member for Wanneroo said in a media statement that he had spoken with the office of the then Minister for Transport, Dean Nalder, since that crash to encourage work within the next year. I am sad to say that no works have ever been undertaken at that site, despite the fact that there have been fatalities and that it has long been identified as an area that needs urgent action.

What the previous government did about that intersection—nothing—is in stark contrast with what the current Minister for Transport has, since coming to government, invested in the northern suburbs. I acknowledge the provision of significant infrastructure to the northern corridor, particularly Wanneroo, and the delivery of two overpasses, which will ease congestion. They are very, very welcome in my area. I also highlight an infrastructure project that is nearing completion; namely, the dualling of Wanneroo Road between Joondalup Drive and Flynn Drive. That formerly was also a very, very dangerous single-lane stretch of Wanneroo Road and has now been fixed, thanks to the McGowan government's commitment to Wanneroo.

Residents in my electorate are particularly excited about the McGowan government's recent commitment to extending Mitchell Freeway to Romeo Road. My residents welcome that because it connects rural areas to the urban area. That is important because people in Carabooda and Nowergup want to get to the train line and the freeway extension in the west, and they want to get to the schools and shops in Alkimos and Butler. It will also provide an important emergency out for the urban area, because at the moment the only way people in that corridor can get onto Wanneroo Road is through Hester Avenue or Pipidinny Road. The connection of Romeo Road to that region is very welcome.

My grievance to the minister today is to ask for reassurance that the freeway extension to Romeo Road will provide an opportunity to address the issues I have raised about the unsafe intersection of Romeo Road and Karoborup Road. I notice that as part of the minister's announcement there was a commitment to upgrading Wanneroo Road to dual carriageway between Romeo Road and Trian Road. I think that will be fantastic for addressing the issues I have talked about with regard to people sitting in the middle of Wanneroo Road in a single lane, unable to gain safe passage off Wanneroo Road.

The danger is real and I would like to highlight to the minister that there have been two more crashes since the McGowan government announced in early March the extension of the freeway to Romeo Road. One of them, tragically, was a fatality. My grievance is on behalf of the residents who live in that area and who need safe passage off Wanneroo Road into Carabooda and Nowergup. The grievance is for not only my local residents but all people in the northern suburbs who use Wanneroo Road on a daily basis and need that intersection to become safer. I thank the minister for taking my grievance.

MS R. SAFFIOTI (West Swan — Minister for Transport) [10.05 am]: I thank the member for Wanneroo for her contribution today and for her positive advocacy for the people of Wanneroo. Unlike the member before her, she plays a proactive, constructive role in supporting her community. She does not try to divide but tries to represent their views fairly and get great outcomes. Because of her advocacy, we have been able to address many of the local road issues. Many of our infrastructure works have arisen because the member for Wanneroo is at the table, supporting her community, presenting options for us, and working as part of a state government delivering significant improvements to infrastructure through the region.

Before the last election I said that Wanneroo and other outer suburbs of Perth had been very much ignored by the previous government. Projects that should have been funded and delivered were not. We saw significant growth in the population of the outer suburbs, but not the infrastructure to match it. As a result, since winning the last election we have invested in the duplication of Wanneroo Road between Joondalup Drive and Flynn Drive, and construction on the two Wanneroo Road overpasses is about to commence. There is a lot of work happening including other, smaller, contributions in the electorate of Wanneroo. Further across the northern suburbs, there is also the extension of the rail line to Yanchep and the dual carriageway of Marmion Avenue. There is a lot of infrastructure in that area. Further north, member for Moore, there is of course investment in Indian Ocean Drive.

We looked at the whole corridor and invested significant amounts of money. One of the projects we have been able to secure funding from and work with the federal government on is the further extension of Mitchell Freeway to Romeo Road. This is a project we lobbied hard for. We worked hard to secure funding for it and we have announced that it will go ahead under a McGowan Labor government. I know that as soon as the other part was finished, the member for Wanneroo was at the door, asking when the next part would happen, and we are now able to do that.

The freeway extension includes a number of projects, including the extension of Mitchell Freeway from Hester Avenue to Romeo Road of approximately 5.6 kilometres, with two traffic lanes in each direction and allowance for future widening. There will also be new interchanges at Lukin Drive and Romeo Road; a rail tunnel under the freeway northbound lanes for the Butler train line; a principal shared path on the west side; and the construction of Romeo Road from Marmion Avenue to Wanneroo Road. Now, as part of our development of the rail line, we will see hundreds of millions of dollars of infrastructure investment in that corridor including, of course, the extension of the freeway. As a result, we are able to deliver a very coordinated, integrated plan for that part of the northern suburbs. The other key point is the duplication of 1.8 kilometres of Wanneroo Road from Romeo Road to Triana Road.

The member raised the issue of safety concerns at a particular intersection, the Romeo Road–Karaborup Road intersection. Of course, back in 2015 the then member for Wanneroo said that it was in urgent need of upgrading.

Ms S.E. Winton: We had a chat.

Ms R. SAFFIOTI: He had a chat about something? As part of our project, we will see improved safety at that intersection. We are continuing with the modelling for that intersection and concept designs are being prepared. Wanneroo Road will be dualled through this section. We believe that the intersection will be safer as a result, but we will continue to carry out further modelling on other improvements we can make to that intersection to increase safety.

We are seeing enormous volumes of traffic heading north. As local tourism continues to increase and people head north on holiday, given the increasing popularity of the coastline in that area, and as the northern suburbs grow with continued development of the suburbs up to Yanchep, we are seeing more usage of and increased pressure on Wanneroo Road. We are very excited about this project. We are really keen to progress this build and also ensure that we continue to upgrade Wanneroo Road, which continues to have traffic issues and an increased volume of traffic, and we improve the east–west intersections. Given our commitment to develop job opportunities in the northern suburbs, we also have to ensure that we facilitate not only commuter traffic, but also freight traffic servicing the east–west corridors and also the north–south.

I thank the member for her grievance. It is timely because we are now in the process of planning these projects. We are looking at this intersection in particular to ensure that we realise the outcome of our plans to improve road safety for people who travel in a north–south direction on Wanneroo Road, whether they be commuters or holiday or freight traffic, and we improve safety in the entire area. I take the member's views on board. When we were announcing our plans, the member's key issue was that we needed to improve safety on Wanneroo Road. I remember that it was a stinking hot day when the McGowan government announced its funding. The member was there. Straight after the media conference, she went to look at the intersection to see what could be done to improve the safety of Wanneroo Road. I thank the member for her grievance.

EDUCATION AND HEALTH STANDING COMMITTEE

Sixth Report — “The Food Fix: the Role of Diet in Type 2 Diabetes Prevention and Management” — Tabling

MS J.M. FREEMAN (Mirrabooka) [10.11 am]: I present for tabling the sixth report of the Education and Health Standing Committee titled “The Food Fix: The Role of Diet in Type 2 Diabetes Prevention and Management”. I also table the submissions presented to the committee.

[See papers 2368 and 2369.]

Ms J.M. FREEMAN: I have great pleasure in presenting this report to Parliament. It will give hope to many people in our community who are dealing with type 2 diabetes. Some articles were recently published in the *British Medical Journal* about the committee's investigations in preparing this report. They resulted in a number of emails congratulating the WA Parliament for investigating the current treatment regime for type 2 diabetes and whether it meets the needs of people diagnosed and living with the disease. It is highly anticipated by the community.

Despite black holes, the election announcement and the "Sustainable Health Review: Final Report to the Western Australian Government", I assure Parliament that this report, which analyses the nature and treatment of and the cost, both personal and to the community, of the disease, it is a very worthwhile read.

I would like to thank the committee: the Deputy Chair, Bill Marmion; the member for Kimberley, Ms Josie Farrer; the member for Moore, Mr Shane Love; and the member for Wanneroo, Ms Sabine Winton. In particular, I would like to thank the principal research officer, Sarah Palmer, and the research officer, Jovita Hogan, who helped us battle the plethora of information that is out there on this topic. They also cast a critical and analytical eye over the costings to gain a better understanding of the cost to the state of type 2 diabetes.

I turn to one of the things that came out in the sustainable health review. The opening line of the foreword states —

On any given day, an average of 500 presentations to WA Emergency Departments ... could have been avoided ...

That is a really interesting comment. The committee shares the same concern. It is the committee's view that many people are dealing with the consequences of type 2 diabetes who would not necessarily have to deal with those consequences were they given appropriate advice very early on. A total of 100 000 people are living with the diagnosis of type 2 diabetes in WA, accounting for one billion health dollars. That is 10 per cent of the health budget. I repeat: 10 per cent of the health budget of the state of Western Australia is spent on type 2 diabetes and its consequences. I know that the shadow Minister for Health would be really interested to know that 10 per cent of the health budget is spent on type 2 diabetes. It would be interesting to know how many of the average of 500 presentations a day to our WA emergency departments are related to complications from type 2 diabetes.

This report is so important primarily because it reveals what is gaining worldwide acceptance; that is, type 2 diabetes can be put into remission.

I would like to take members through my foreword to the report. It starts off by stating —

If there is one thing to take away from this report it is that type 2 diabetes can go into remission and it need not be a life-long progressive chronic illness. Some practitioners argue it is reversible.

The evidence is clear that weight loss of 10 to 15 per cent, particularly around the abdomen, can lead to a type 2 sufferer no longer requiring medication, especially if it is early in the diagnosis.

If weight is lost from the liver and pancreas, a person's metabolism is reignited. It has been said that there is a switch, which turns on insulin production. It continues —

With between 4 and 5 per cent of the WA population suffering from type 2 diabetes and a new diagnosis made every hour, this systemic community-wide disease of impaired glucose tolerance cannot be dismissed as an individual problem.

Disturbingly, this report reveals that there is a silent pandemic of adverse health effects ...

They include cardiovascular disease, kidney failure, limb amputation, erectile dysfunction and blindness. It has been said that "type 3 diabetes" will be dementia. Someone with type 2 diabetes has an increased risk of developing dementia as they age.

For a growing segment of the community, type 2 diabetes has enormous personal health costs. It also represents an expanding cost to our state that demands urgent attention. The likelihood of people developing this disease is increasing. People are increasingly being diagnosed with type 2 diabetes every day.

As I said, the committee has calculated that the annual cost of type 2 diabetes is about \$1 billion. That is 10 per cent of the health budget but three per cent of our state budget. Three per cent of our state budget is spent on a disease that can be put into remission. This is an expense amplified by the individual and broader economic burden of the disease. It is so important that we focus treatment of the disease away from living with it to beating it, and that should be a priority of our health system. Replacing "you need to lose weight" with "here's how you can" and "this is how we can help" is absolutely imperative and would be beneficial for the individual, particularly the population-wide policy.

I believe that this report is a road map for the sustainable health review and must be part of the sustainable health focus on obesity and the objective of halving its value. Although not all type 2 diabetics are obese or overweight, one of the risks factors of developing type 2 diabetes is being overweight or obese.

In this state, we are all too familiar with researchers who push the boundaries and often challenge the norms, such as Professor Barry Marshall with his discovery in the treatment of stomach ulcers. This report challenges the norms of business as usual and inappropriate guidelines. The existing medical practice of "screen and prescribe" is no

longer suitable from a personal health point of view, as a community health response and in a health system that competes for scarce resources. The philosopher St Augustine said, “I should learn to take food as medicine.” However, too much food and a lack of nutritional content can create harm. Our bodies stockpile the calories we do not use in fat cells and in our vital organs. Unfortunately, when organs such as the liver reach capacity, a metabolic switch is triggered and our health is impacted. However, far from being an issue of restraint or not enough energy out to energy in, food has become over-processed and is marketed in a manner that aims not only to satisfy our hunger, but to create social sustenance, deliver a reward or placate a craving.

Dr Michael Mosley points out in his publications that many unhealthy foods are formulated to be craved through the ratio of one fat to two carbs—the same ratio as breast milk. Further, historical evidence illustrates how the industry has manipulated the dietary guidelines to focus on saturated fat as the major health risk, shifting the blame from sugar. In addition, the food industry has been criticised for blaming obesity on lack of exercise without reflecting on its contribution to the epidemic. The United Kingdom’s response in introducing a sugar tax on soft drinks and the sustainable health review’s recommendations shifts the responsibility back to the provider. We learned from the UK experience that the focus shifted to unhealthy products and led to the reformulation of soft drinks to be less harmful. This report acknowledges that it is not within the state powers, but we believe that the state has to use its leverage to investigate and continue to see how important the sugar tax has been in the UK. The UK experience has also given leverage to policymakers to push for changes in other high-sugar products such as breakfast cereals. Accordingly, the state government should use its leverage points to tackle the promotion and availability of unhealthy food in our community. I personally commend the state government and the sustainable health review for listing as a priority in recommendation 2a —

Unhealthy food and drink promotions banned from all State premises and healthy food policies complied with across all State agencies.

Diet comes from the Greek word “*diaita*” meaning “way of life” and as our way of life continues to be influenced by the availability of food—for many people, not all—we need to encourage people to focus on what and how much should be eaten to ensure a healthy future, not simply tell them what they cannot consume. This is the message from the UK low-carbohydrate diet advocate Dr David Unwin: not one of deprivation but one of replacement, rebalancing and flourishing through food choices that ensure blood sugar levels stay stable, putting consumers in control.

This report also highlights serious health consequences of type 2 diabetes on Aboriginal people, who are three times more like to develop the illness and deserve the opportunity to design resources to implement their own responses to fight the disease. Indeed, the body of the report shows that people in the Kimberley are 2.8 times more likely to be hospitalised because of type 2 diabetes and 5.6 times more likely to die from type 2 diabetes than the rest of the community.

“The Food Fix” report is presented to Parliament as a pathway to tackle the silent pandemic that is type 2 diabetes, with a focus on how the knowledge around diet and weight loss can be applied to address both the human and economic costs.

I want to take members to some of the most important aspects of this report. This inquiry has revealed that the recommendation from Diabetes WA’s advice for people suffering from type 2 diabetes is to follow the Australian Dietary Guidelines. That advice is at odds with the department’s view that the guidelines are not suitable for people with type 2 diabetes. It needs to be strongly reinforced that our current dietary guidelines are not suitable for people with type 2 diabetes. This report also states that another effective method of weight loss that puts type 2 diabetes into remission is bariatric surgery. Although many people in our community are accessing bariatric surgery, it is very inequitable. It is for people who can access it in the private health system. There is a need to ensure equity of access and a high standard of care for those who can least afford it but are at some of the greatest risk.

I also want to talk about the current lack of information on the impact of type 2 diabetes on many of the culturally and linguistically diverse communities. Understanding the social and cultural factors that underlie unhealthy eating habits that contribute to type 2 diabetes and its effective management is a really important aspect of being able to deal with this pandemic. We met with proponents of the Cities Changing Diabetes program and have seen the results and the tools they have developed to determine the best approach. We recommend to the government that that program should be considered in one of our local government areas.

Recommendation 2 is —

The Department of Health and Diabetes WA should consult with one another to ensure they are providing consistent advice in regard to the Australian Dietary Guidelines. Diabetes WA should align with the Department of Health position that the Australian Dietary Guidelines are not suitable for people with type 2 diabetes.

Recommendation 3 is —

The Department of Health ensure that guidelines for the management of type 2 diabetes reflect the success of dietary interventions—such as the very low calorie diet and the low carbohydrate diet—in treating the disease. These approaches should be formally offered as management options.

That is occurring in the UK through the National Health Service. It has embarked on a program in which meal replacements for very low calorie diets are available at subsidised cost. It is also working in other areas to ensure that people have very concise and comprehensive advice and treatment around type 2 diabetes.

Recommendation 4 is —

The Department of Health commence a campaign to ensure that healthcare professionals, and general practitioners in particular, are aware of the alternative (dietary) approaches for treating type 2 diabetes.

Although this may not seem controversial to members, this will be a controversial report because it goes against some of the dieticians in our community. Despite the fact that the CSIRO in Australia has similar advice, some dieticians who have given advice on low-carb dietary programs have found themselves deregistered. I do not know all the issues around that, so it is always difficult in this place to determine whether there were other factors. However, it seems somewhat concerning that people who want to offer advice that is seen as appropriate advice in other jurisdictions suddenly find themselves falling foul of the establishment.

Frankly, there has been an increase in the incidence of type 2 diabetes in our community. If we do not challenge the way we treat people with type 2 diabetes, there will continue to be an increase in the incidence of type 2 diabetes, and both the economic cost to our health system and the cost to people's health will continue to increase.

This report provides a clear understanding of some of the issues that are involved. It provides a pathway for people to follow. It provides recommendations that I think are very well considered. However, what is most important about this report is that it puts the person who has been diagnosed with or living with type 2 diabetes back in control. It says to that person, "You can control this condition. You can control this disease." For some people, that may not be possible. However, the percentages that are outlined in this report about the number of people who have successfully put their type 2 diabetes into remission provide grounds for great hope.

MR R.S. LOVE (Moore) [10.30 am]: I would like to thank the Chair of the Education and Health Standing Committee for the sixth report that she has tabled on the committee's behalf, "The Food Fix: The Role of Diet in Type 2 Diabetes Prevention and Management". I would also like to acknowledge the other members of the committee who worked towards this report: the member for Nedlands and deputy chair, the member for Kimberley and the member for Wanneroo.

When diabetes prevention and management was first suggested by the member for Mirrabooka as an appropriate topic for the committee to inquire into, my view was that it would be a complete waste of time. That was founded on my view that type 2 diabetes was a medical condition for which there was no hope of remission, and only progression towards ever increasing ill-health, weight gain, probable loss of body function, probable loss of body parts, and inevitably a slow and somewhat distressing death. My view was that, in the main, it was caused by people's lifestyle and choices—they were fat bastards, and it was their own fault, not anybody else's fault, and there was nothing that could be done or said about it. Therefore, why would we, as non-medicos, want to get involved in a discussion about the appropriate treatment of this disease?

I have to say that I found out that I was very wrong. Obviously, type 2 diabetes is linked to a number of factors. A major factor is obesity. There is no doubt that the incidence of obesity in Australia is on the rise. It has become an epidemic. We cannot afford to ignore that epidemic any longer. The committee travelled to the United Kingdom to look at these matters. Initially, being the economic rationalist that I am, I did not see the value of that travel and did not want to go to the UK. However, in the end, I was persuaded to go. It was a complete eye-opener to compare the attitude of some of the medical professionals in the UK with those in Western Australia. It was interesting. I kept walking around the streets of London, Newcastle and Leicester, and a place that is just out of Manchester, where we were told we would see a lot of enormously fat people. I did not see any. When I got back to Perth, I went to Galleria Shopping Centre, and I saw more obese people in the first hour than I had seen in the entirety of my two weeks in the UK. We cannot afford to be complacent. The report highlights, for those who take the time to read it, that the cost to our state of the treatment of type 2 diabetes is approximately three per cent of the entire state budget. That is an enormous amount of money. It is greater than the amount of money spent on the royalties for regions program, even under the member for Warren–Blackwood when it was at its peak and roaring ahead.

The committee found that the attitude of the current health authorities in Western Australia seems to be locked in the past. It is locked into the view that this disease will inevitably progress towards loss of function, ever increasing ill-health, and inevitably death. It seemed to me that it was, in a way, blaming the patient—if only they had eaten more carrots and celery, and wholegrain foods, they would not be in this position. However, we found from some of the practitioners in the UK that there was another pathway, based on scientific trials, by which patients could take control of their lives away from the medical profession and not just accept that they were on a journey towards an uncomfortable life. I am talking about people who talked to each other on the internet, outside of the medical profession, and found ways to put their disease into remission. I am not talking about a few people; I am talking about hundreds of thousands of people who linked together through the internet and cured themselves of type 2 diabetes, against the current medical advice. That has now been picked up by professionals in the UK, who are running trials and programs based on that pathway.

As the member for Mirrabooka said, not everybody will be able to put their type 2 diabetes into remission. Some people have been in a disease state for so long that their body has gone beyond that stage. However, for many people who have a diagnosis of type 2 diabetes, there is an alternative. That alternative is to lose 10 per cent to 15 per cent of their body weight, by whatever method that may be achieved. One method is bariatric surgery. Not many people would find that a pleasant thought. However, as we saw in our inquiry, that alternative has been taken up by many people. The majority of people who access bariatric surgery are those who can afford to pay for it. That effectively locks people in the public health system out of an appropriate treatment pathway. That needs to be looked at. An investment in surgery for those patients would result in not only a good health outcome for those patients, but also an economic return to the state. As I have said, this state spends approximately \$1 billion a year on the treatment of type 2 diabetes. Approximately 100 000 people in this state have the disease. This is a silent epidemic. If 100 000 people in this state had swine fever, there would be an enormous uproar. It would be on the news every night. People would be going bush to get away from each other, and no-one would be travelling. There are more than 100 000 people in this state with a disease that will kill them, is preventable, and often curable, and we are doing nothing about it. That needs to change. This is a very important matter.

I am happy to say that I was completely wrong in the cynical approach that I initially took to this inquiry. Perhaps it was good to have someone on the committee who was a bit cynical. However, I am now converted to the chair's view that we needed to consider this matter, and I am glad the committee has considered it.

In closing, I would like to, once again, pay tribute to the members of the committee, and particularly to our research officers, Dr Sarah Palmer and Jovita Hogan, who are in the gallery, for the great job they did in assisting the committee. As we all know, as parliamentarians we contribute our ideas and thoughts, but our research officers put our reports together, and it is an enormous credit to them. So, thanks very much, and I commend the report to the house.

MR W.R. MARMION (Nedlands) [10.39 am]: I, too, rise to speak on the Education and Health Standing Committee's sixth report, "The Food Fix: The Role of Diet in Type 2 Diabetes Prevention and Management". I concur with all the comments made by the chair of the committee and the member for Moore.

I did not know much about type 2 diabetes before I took part in the committee's inquiry. I was perhaps not quite as cynical as the member for Moore and wanted to learn more about the disease when I found out that an estimated 10 per cent of the state's health budget, about \$1 billion, is dedicated to type 2 diabetes. It is an extremely important issue right now and it is on an upward trend. My concern is that unless we do something about it, it will require a greater percentage of the health budget. The committee started its journey in Western Australia interviewing local experts on diabetes. It surprised me, but I suppose it is not surprising that we have some very good local experts and doctors in Western Australia who are well connected to world research in this area. That was the starting point for the committee. Through those contacts in Western Australia, we found out who the world leaders are, and that is why we went to England.

Like the member for Moore, I am an economic rationalist about spending money. I have to say that going to England and spending 10 days locked into this issue forced us to be immersed in the issue of type 2 diabetes. If we were in Western Australia, we would have just attended committee hearings here and there when we were probably thinking about other things. The visit to England highlighted the importance of travelling out of my comfort zone to go to areas overseas where the understanding of this issue may be world standard. It was the first time that I had been overseas with a parliamentary committee.

I congratulate the staff, Jovita and Sarah, for putting the program together. I found it was quite a burden to have only one staff member travelling with the committee. In fact, I highly recommend that if an entire committee is travelling overseas, two staff members should go. It meant that one staff member, Sarah, had to do the logistics of getting us from one venue to another and ensuring that everyone was there, deal with gifts and drive the car. We drove from one side of England to the other and I felt very guilty that only one committee member could share the driving because of the insurance.

Mr D.A. Templeman: Who was the driver?

Mr W.R. MARMION: It was the member for Moore.

Mr D.A. Templeman: A good driver.

Mr W.R. MARMION: He is a good driver with a lot of country road experience, which was probably a consideration. I was probably a bit slow getting up to the desk to register as the number three driver.

Ms J.M. Freeman: You were the navigator.

Mr D.A. Templeman: Did you hang back?

Mr W.R. MARMION: Yes, I did hang back a bit. I was happy to be the reserve number three driver, but as it turned out, I was advised that it would be more expensive to have three drivers. I thank Jovita, who probably did a lot of the groundwork in Perth selecting the venues we went to. I learnt a bit about the history of England at the same time. I commend the staff for how they put the program together, particularly for getting access to the world leaders on this issue in the different towns. We were driving from one side of England to the other and, in fact, we even backtracked for one meeting because of the availability of some of these world-leading researchers.

I will not go through the report. I commend the report and suggest that all members read the executive summary, even if it is just the first two and the last paragraphs, because it will give them a pretty good idea of what is in the report.

I want to make one point, because the previous speakers have covered well all the other points. One of the key problems with type 2 diabetes is its impact on the Indigenous community. We know that morbidity in Indigenous communities is terrible and needs to be improved. This is an area in which we can get some runs on the board. We interviewed researcher Professor Kerin O'Dea who back in, I think, 1983 did a study in the Kimberley. She took 13 Aboriginal men with type 2 diabetes and high blood glucose levels out on country for three months. They went back to their traditional way of life as hunter-gatherers, as best they could in the circumstances, eating lean meat and food off the country. Basically, their sugar tolerance dropped. Professor O'Dea took the men's blood glucose levels, from memory, 10 days after going into the bush and they were already below the level of a person with type 2 diabetes. Taking these men from the group most vulnerable to type 2 diabetes away from the Western food culture of Derby—the men were from the Mowanjumb community—reversed their type 2 diabetes. Unfortunately when they came back to Derby, with the nature of the town and peer pressure, they did not maintain their low blood glucose levels.

I commend this report. It is something we have to work on. I noticed in the report on the sustainability of the health system handed down yesterday that recommendation 2 referred to maintaining the level of obesity in our community. We cannot afford to maintain the level of obesity; we have to reduce obesity and the percentage of people who are getting type 2 diabetes. I did not know much about diabetes, because there is no history of it in my family, but it has come to my attention that it is a key issue. If I were the Minister for Health, I would be most concerned about it. If I were the director general of Health, I would be trying to work out how I could reduce it. Indeed, there are 39 findings and 36 recommendations in this report that the director general of Health can look at and see whether he can implement some of them to lower the cost of health care in Western Australia and reduce the incidence of this chronic disease, which is absolutely debilitating for the people who have it. I commend the report to the house.

ECONOMICS AND INDUSTRY STANDING COMMITTEE

Fifth Report — "Implications of a Distributed Energy Future: Interim Report" — Tabling

MS J.J. SHAW (Swan Hills) [10.47 am]: I present for tabling the fifth report of the Economics and Industry Standing Committee titled "Implications of a Distributed Energy Future: Interim Report" and the tabled submissions.

[See papers 2370 and 2371.]

Ms J.J. SHAW: When the Economics and Industry Standing Committee sat down to talk about what our work program for 2018–19 would involve, we talked about microgrids as a potentially interesting topic. We try to approach the work program as collaboratively as we can. I was particularly interested to examine the topic because in my previous career in the energy sector I had often come across the term and was aware of the rapid uptake of photovoltaic solar panels across the state, and had heard that household and grid-scale batteries were gaining considerable momentum. I thought it would be useful to examine what seemed at the time to be a somewhat fringe energy sector topic: the emergence of distributed energy technologies and their applications in various sized power systems. I thank my colleagues on the committee for their support in initiating what has been an incredibly interesting inquiry.

Since the inquiry commenced in February 2018, it is fair to say that microgrids and distributed energy resources are now front and centre in our state and nation's ongoing conversation about our energy future. Evidence to this inquiry has shown that Western Australia is home to some of the world's most innovative, groundbreaking energy technologies that could radically change the way we produce and consume electricity, and contribute to a more secure, affordable, reliable and sustainable power supply.

Western Australians have embraced renewable energy, installing household-scale solar photovoltaic panels at an incredible rate. Household solar is now the single largest source of generation capacity in the state's largest network, the south west interconnected system, and is three times larger than our single largest power station. As advances are made in information and communications technology and unit costs come down, there is also a growing level of interest in orchestrating these assets and combining them with household and grid-scale batteries because people see the value in storing the energy they produce. These technologies are appearing in microgrids—localised energy systems situated in larger networks that are capable of operating in conjunction with, or isolated from, the main grid. They are also being increasingly deployed to smaller islanded distribution networks that serve regional and remote communities and standalone power systems that supply individual facilities.

Microgrids and associated distributed energy resource technologies are changing the face of electricity production and system management across the globe, and Western Australia is exceptionally well-positioned to benefit. The move towards decentralised energy production and consumption is fundamentally changing the model upon which the electricity sector has traditionally been based. Whereas previously the industry operated on the one-way flow

of electricity from centrally-controlled, large-scale, fossil-fuelled power stations to largely passive consumers, the sector's dynamics are now fundamentally changing as the "prosumer" emerges—individuals who produce and consume their own energy from renewable sources from both within and at the fringes of the network. That is presenting operational, engineering and commercial challenges.

A range of innovators in the WA energy sector are facilitating these changes and developing large and small-scale renewable and distributed energy projects. The state-owned energy utilities are pleasingly leading the way and are particularly well positioned to facilitate the changes underway in the sector, given their line of sight from molecule conversion and electron production, right the way through to the sale and consumption of electricity to individual households and businesses. Government trading enterprises are partnering with the private sector and universities to deploy these assets across the state, demonstrating the operational feasibility and benefits of the technologies. Research projects are underway in both metropolitan and regional centres, trialling new forms of asset configuration and orchestration, developing new ICT applications and trialling different tariff arrangements. The intellectual property generated through these projects and the organisational capacity to deliver and manage microgrids are themselves very valuable assets, particularly as global demand for microgrid solutions and distributed energy technologies grows. The people of Western Australia, through government trading enterprises, own much of this intellectual property and corporate capability, and could gain significantly from its further commercialisation. This report describes the various types of microgrid projects and asset configurations that are being developed. The opportunities for the people of Western Australia to capitalise on their valuable IP and delivery capability through the commercialisation and potential further deployment of microgrids will be considered in further detail in the final report.

Microgrids and distributed energy resources have also prompted a number of companies and community organisations to explore local cooperatives and blockchain platforms for energy trading. Entire subdivisions and communities are aiming towards more sustainable energy solutions. They wish to combine local generation and battery technologies with traditional grid-sourced power so that they can exchange locally produced energy amongst themselves. Virtual power plants also present a new innovative model for the rollout and coordination of DER. If deployed in a manner to target vulnerable households—as is under consideration in the Kalgoorlie VPP trial, described in this report—it could deliver considerable benefit right across our community. Again, this report outlines several alternative commercial model projects that have been proposed for WA. The final report will consider their benefits, enablers and barriers.

This report finds that new energy technologies are increasingly cost competitive with traditional energy sources and can operate to increase the efficiency of existing network infrastructure. As described in this report, where they have been deployed, in both the south west interconnected system and throughout regional and remote WA, there have been demonstrable benefits. Perhaps the most benefit is delivered into the outer reaches of the SWIS, in what is termed the "fringe of grid" or "distributed" parts of the network, which are typically located in regional areas of Western Australia. This report describes a number of projects in the distributed parts of the network where the replacement of traditional poles-and-wires supply with distributed energy solutions has delivered a more cost-efficient and reliable electricity supply. Microgrids and distributed energy technologies are also particularly relevant and beneficial in regional areas, where fire risk can be reduced by removing overhead poles and wires. Community recovery efforts are also improved when microgrids allow location-specific power restoration operating in standalone mode, and are not reliant on the reinstatement of entire portions of network supply. Within the meshed parts of the network, microgrids also provide a considerable amount of value in the metropolitan area, and distributed energy technologies can ease pressure at congested parts of the network and provide network support services.

Batteries, in particular, can play an important role in grid support whilst also providing consumers with the opportunity to store electricity at the household or grid scale. However, complex operational implications are associated with microgrids and distributed energy resources. The ability of system and network operators to plan for and orchestrate microgrids and DER are material issues. Incentives to efficiently deploy DER and utilise these asset types beyond the current range of trial and pilot projects need to be considered. Consideration must also be given to the role, value and utilisation of existing generation and network assets in supplying secure, reliable, affordable and sustainable supply.

As I outlined in my opening remarks, a lot has happened in the policy space since we initiated this inquiry. The state government has very recently acknowledged the challenges and announced an energy transformation strategy to deliver a cleaner and more resilient energy supply. Part of the strategy, announced by Minister Johnston, includes delivering a whole-of-system plan for the SWIS and a distributed energy resources road map. The ability to capture system-wide operational efficiencies, maximise economic value, and maintain secure and reliable electricity supply in both the SWIS and in regional and remote areas depends on the complex interplay between physics, technology, markets and regulation. The roles of and relationships between the various public, private and regulatory agencies operating in the electricity industry are complex, and reflect the industry model established at the beginning of the electricity industry reform project, begun by WA Labor in the 2000s.

The industry is rapidly changing, and our ability to capture value and operational efficiencies, whilst delivering secure energy supply and reducing carbon emissions, will be heavily dependent on the regulatory and market structures governing WA's electricity industry. It is vital that we also consider how all Western Australians can benefit from these new technologies, including the most vulnerable members of our community. These various factors are important and go to the heart of this inquiry; they will be considered in more detail in the final report.

Beyond the immediate microgrid applications and distributed energy resource opportunities that we have identified in the report, the terms of reference for this inquiry also asked the committee to consider economic opportunities right along the value chain. As I have discussed, microgrid technologies are increasingly utilising battery technologies, and this report provides an overview of the significant opportunities for WA along the battery production value chain. It finds that our state has a distinct set of global competitive advantages: it is replete with the raw material inputs for battery manufacture; it has a mature and sophisticated mining industry; it has well-established transport links; and it has a politically stable environment in which to do business. Pursuit of value-chain opportunities in distributed energy resources could generate employment opportunities throughout the state and deliver significant economic growth.

It appears at this point in time that the world prefers lithium-ion batteries, and this report lists a number of projects now underway in WA for lithium production. The rapid development of lithium exports from Western Australia over the past five years places us in a position to supply about 60 per cent of the world's annual consumption, but we also have various other raw material inputs required for batteries available in plentiful supply in WA, and research is underway into technologies based on other forms of battery configuration.

Western Australia's most obvious prospects lie in commodities production, but there are also opportunities in chemicals processing, component manufacturing and assembly. WA is arguably yet to acquire the scale required to move into the later stages of battery production, but a number of global battery industry participants are currently deploying capital into WA and considering further investment along the value chain. The state government has also sent bold signals into the global market through the announcement of its future battery industry strategy. Early on in our inquiry, the committee took evidence on the preparation of a bid to secure the Future Battery Industries Cooperative Research Centre. It was a really fascinating discussion and I encourage members to read the transcripts from those hearings.

It was fantastic to hear the announcement yesterday of the success of this bid, and I would like to congratulate all the parties involved. It just goes to show what can be achieved when entrepreneurial drive is coupled with research and innovation and backed by policy leadership. Much of the demand for the commodities required for battery production is driven by rising global demand for electric vehicles, and this report has found that electric vehicles also have the potential to fundamentally shape electricity network dynamics. Any consideration of the evolution of power systems must have an eye to the potential impact of an electrified car fleet, given that they can influence both the volume and profile of electricity demand. However, although microgrids and associated technologies are clearly on the march, it is less clear what impact microgrids will have, given the uncertainty around the rate of EV uptake. This has become quite a material, political issue in the last week.

The report considers the evolution of electric vehicles and observes that every major car manufacturer either already produces electric vehicles or has announced plans to produce electric vehicles in the near term. Countries around the world have observed that they will ban fossil fuel-fired vehicles over the medium term. The costs of electric vehicles are coming down and charging technologies are improving rapidly and being deployed across Australia to address range anxiety that some drivers may have about the ability of electric vehicles to undertake long journeys. The prospects for an increasingly electrified transport fleet are very exciting.

I would like to thank my committee colleagues for their collaboration and support throughout the course of this inquiry: the member for Churchlands, the member for Forrestfield, the member for Jandakot and particularly the member for Warren-Blackwood, who has ridden shotgun with me the whole way through this inquiry. I really appreciate his support. I would also like to thank the committee secretariat, Dr David Worth, Lachlan Gregory and Franchesca Walker, for their assistance and the absolutely incredible job they did in organising a particularly demanding trip for us to the United States, where we had the benefit of speaking to a range of regulatory and industry organisations about the challenges they face around microgrids and distributed energy resources. I would also like to thank the Hansard staff. On behalf of the committee, I would like to sincerely and particularly thank the numerous industry participants and stakeholders who participated so enthusiastically in this inquiry here in Western Australia, across Australia and overseas. The level of engagement, information provision and willingness to participate in open, frank conversations about the future direction of WA's energy industry was incredibly helpful to us.

There is much to be proud of in our energy industry. I hope that this first report provides an overview of the extent of the truly world-leading innovation, collaboration and opportunity right here in Western Australia, opportunity that can be captured if we continue to work constructively and positively together.

Debate interrupted.

[Continued on page 2579.]

HON KENNON (RICHARD) LEWIS*Condolence Motion*

MR M. McGOWAN (Rockingham — Premier) [11.03 am] — without notice: I move —

That this house records its sincere regret at the death of Hon Kennon Richard Lewis and tenders its deep sympathy to his family.

I would like to commence by acknowledging the members of Richard's family here in the house today: his wife, Helen; his brother, Roger, and his wife, Megan; and his daughter, Morgen, and also his son, Lachlan, who could not make it this morning.

Richard led a long and successful career, both inside and outside the Parliament. He was born Kennon Richard Lewis to Mr Kennon and Mrs Marjorie Lewis on 4 September 1939 in East Fremantle. He would go on to lead a big life, achieving some of the highest accolades Australia has to offer, before passing away to cancer in March this year. I note that prior to him leaving us, he received an Order of Australia medal on Australia Day this year. He also got to see, last year, his beloved West Coast Eagles win a fourth premiership, which I am sure gave him great pleasure.

Looking over the life and times of Richard Lewis, two things emerge as running themes: land and sea, which are somewhat contradictory. On land is where Richard made his name and career. He was trained in cartography and surveying, working for the Department of Lands and Survey for a decade before making his way in private practice, where he found considerable success. His private work involved engineering and cadastral surveying, mostly relating to property ownership and boundaries. He also got involved in politics, becoming a local councillor in 1970 at the City of Melville, and for many periods was its deputy mayor. But it is clear he also had a deep love of the water. He served as an expert diver in the Royal Australian Naval Reserve, which he joined at the age of 17 years, and he loved rowing, fishing, and surf club patrols. I read in his obituary that his family referred to him as the "minister for pulling craypots, swimming with seals and ocean exploration."

Like many who have found success in Western Australia, Mr Lewis was eventually drawn to the state Parliament. He was elected to Parliament as the Liberal member for East Melville in 1986. He shifted to Applecross when the seat of East Melville was abolished in a redistribution in 1989. Richard had a successful career in Parliament, reaching shadow cabinet after two years and serving in a variety of roles before becoming a cabinet minister in Richard Court's government in 1993. He served at various times as the Minister for Planning, Heritage and Housing, and Minister Assisting the Minister for Transport. Many of the ministerial decisions he would have made in those portfolios would undoubtedly have shaped the face of Perth and Western Australia today. I know, for example, Member for Butler, that a lot of the land around Alkimos was zoned "urban" under Richard Lewis in the early 1990s and is now being developed.

Following his life in politics, Richard would go on to be chairman of the East Perth Redevelopment Authority and director of Western Power, not to mention chairman of directors for various companies involved with investment and property development. What shines through his biography is a dedication to and love for his community and civic life, with memberships and leadership positions with too many organisations to mention them all, but they include vice chairman of Meals on Wheels, to a role of justice of the peace, member of the Legion of Oarsmen WA, and an inaugural member of the West Coast Eagles Football Club. He was also devoted to his family, who are here this morning, and was a well-known family man. I met Richard Lewis a couple of times. I remember in the 1990s, when I was running for Parliament, he was the Minister for Planning and his name was always in the paper, which always seems to happen to people in that role. He was always in the paper and on television, and he often seemed to be involved in controversy. As a young man, as I then was, it struck me that he was a very forthright and strong advocate for what he believed in. He struck me as being very pro-development, pro-activity and pro-action. He was a member of Richard Court's first government, which, as we know, was quite a successful administration and quite electorally successful. My recollection is that he left Parliament when I was elected, so we did not overlap. In fact, we adjoined one another's political careers and he left, I think, as a result of redistribution issues—seats disappearing and the like—so there were not enough seats to go around.

During his period in Parliament he had a very successful career, and obviously rose to being a minister in government in an important portfolio. It was an important role that he fulfilled in public life. I had seen him from afar, and met him in the building a couple of times when he came to see debates and came to lunches, and things of that nature. Obviously, we were on different sides of Parliament, but he was very friendly to me. He had a ready smile and an easy nature. He did not seem to hold any partisanship or any political differences; he was just a nice man. I enjoyed meeting him, actually, because he had been a bit of a giant when I was running for Parliament. It is always nice to meet people who achieve to that level. He made a big contribution.

He was a member who was dedicated to his local area. He wanted to do the right thing by his constituents. In his inaugural speech in Parliament, he wanted it to be known that his electorate office door was always open. He said —

No-one's politics will be inquired of and all that will be asked is, "How can I be of assistance and what is your opinion?"

Looking through his first speech, I am sure there is much that we would have disagreed on, politically and philosophically, and from all accounts he relished spirited debate in here. I think we can all agree with the closing of his inaugural speech, where he said —

Finally I say we must never forget that what we do in this Chamber affects the lives of our fellow Western Australians, and it is with humility that I pledge myself to their service.

Very wise words by a very wise, very high achieving man. With that, on behalf of the government, I extend my deepest sympathies and condolences to his family and friends. Vale Richard Lewis.

Members: Hear, hear!

DR M.D. NAHAN (Riverton — Leader of the Opposition) [11.11 am]: I would like to join in this condolence motion. Whenever we set foot on one of the CAT buses in our city, or drive through the Northbridge tunnel, we can thank Richard Lewis. As the Minister for Planning in the mid-1990s, Richard bore the principal responsibility for carrying through the planning construction of the Graham Farmer Freeway, a project that was controversial but, in the end, highly successful. As the minister assisting the Minister for Transport in the Court Liberal–National government, he was behind the free CBD bus links, which we all use. They are a central part of the transport activity in our city.

Richard passed away last month, at the age of 79. He had made a significant contribution to his community, including his time in this state Parliament. Kennon Richard Lewis was born in East Fremantle in September 1939, the son of an engineer, which had an impact on him. He later received a diploma in engineering and became a licensed surveyor in 1969, an occupation which he was very proud of and would stand him in good stead during his time in Parliament. Between 1957 and 1969, Richard served as a reservist in the Royal Australian Navy with a six-month secondment as a Navy diver and tactical operator in 1962. His involvement in his community prompted his election to the Melville city council at the age of 31. He gave 14 years' service, twice becoming deputy mayor. During that time, he became an active member of the Liberal Party, becoming the inaugural vice president of the Booragoon branch in the mid-1970s. In 1985, Richard Lewis successfully contested the Liberal preselection of the District of East Melville, after the retirement of Tony Trethowan, MLA. The seat comprised the suburbs of Applecross, Ardross, Booragoon, Attadale and Melville. He was re-elected when the seat was renamed Applecross and redrawn three years later. He remained a member this house for 11 years.

In his inaugural parliamentary speech, Richard spoke with great knowledge and conviction about both the decreasing amount of information available to private landholders, and the inadequate compensation provided for land resumption, two issues that he was still passionate about to his last breath. In opposition from 1988, Richard served as shadow minister in the portfolios—there are many—of housing, planning, lands, transport, small business and water resources. When a coalition shadow ministry was formed in November 1992, he held responsibilities for housing and lands.

I was active with Richard at this time, and I recall him being assiduous in the pursuit of WA Inc matters in the 1989 to 1993 Parliament. He was part of a team that was instrumental in exposing this terrible period, and, importantly, contributed to significant improvements in transparency and accountability in government. He subsequently became a minister. In government, Richard brought commercial and professional expertise to cabinet, where he would argue his case with great determination. He is also remembered as a forceful and always well prepared contributor in the Legislative Assembly.

After his parliamentary career, Richard continued his service to the community as chairman of the East Perth Redevelopment Authority from 1997 to 2001, and as director of Western Power from 1998 to 2001. Drawing on his professional and political experience, he was a member of the Metropolitan Region Planning Authority for four years and served on advisory committees for south west planning, residential codes and urban arterial funds. More than that, he was deeply involved in the community. All of us, particularly in the South Metropolitan region, as representatives in local government or in Parliament, knew Richard as a person that we could always approach, or who often would approach us, but always with good favour and friendly, sound advice. He was a great supporter of new members in Parliament in particular. I remember when I put my hand up for Parliament, he was one of the first people to seek me out—of course, I knew him well—to advise on my campaign for Riverton, which was, by the way, a submarginal seat. As the Premier indicated, Richard made certain points to me. First, we are here to represent the electorate; to listen; to help people, irrespective of their values, views or political affiliation; to work hard; and to doorknock, which he did a lot of. That is why he is well liked and respected on both sides of Parliament.

Richard was an inaugural member of the West Coast Eagles and a vice president of the East Fremantle Football Club. He continued to be active in the Liberal Party and was a prominent and life member of the 500 Club. As the Premier indicated, he was awarded membership of the Order of Australia this year—well deserved.

There is one issue that has always puzzled me. I remember before I think the 1996 election, I was having coffee with Richard, and he indicated that he was going to stand down and not continue. It was not due to changes in the boundaries; it was not due to expected electoral outcomes—he was going to get re-elected if he chose to do so.

I talked with Helen today. He decided that time was up. He had the view that a member should only spend a certain period in Parliament, because, as with everything, your use-by date starts coming for you. In my view, he left prematurely—he had much more to offer—but that was his choice. After Parliament, he continued to contribute as much to the community as he had in Parliament, particularly in the south metropolitan area.

Richard and Helen were blessed with a happy marriage of 55 years—enjoyable all! We express our sympathy to Helen, Lachlan and Morgen, and to their extended family and many devoted friends. It was a life well lived. Vale Richard.

Members: Hear, hear!

MR P.J. RUNDLE (Roe) [11.18 am]: I rise on behalf of the Nationals WA and the Leader of the Nationals WA to make a contribution to this condolence motion for Richard Lewis, AM, member of the Liberal Party. In his inaugural speech, Mr Lewis paid tribute to his family. He said that he recognised family as the foundation of our society, and paid tribute to his wife, Helen, and children, Lachlan and Morgen, for their support. I express my sincerest condolences to Helen, Lachlan and Morgen and their extended family and friends at this sad time.

In January 2019, Mr Lewis became a deserved recipient of the Member of the Order of Australia for his service to both the Parliament of WA and his community. Before entering state politics, Mr Lewis was a City of Melville councillor from 1970 to 1984; a period that included two stints as deputy mayor. In 1986, he was elected to the seat of East Melville, and when that seat was abolished in the redistribution of 1989, he carried on as member for Applecross until retiring in 1996.

We can attribute significant projects to Mr Lewis, such as the challenging planning for the Northbridge tunnel and locking in the central area transit bus service that remains a feature of CBD transport. Mr Lewis served as Minister for Planning, Minister for Heritage, and minister assisting the Minister for Transport in the Court government alongside National Party stalwarts such as Hendy Cowan, MLA; Monty House, MLA; Eric Charlton, MLC; Bob Wiese, MLA; and Murray Criddle, MLC.

Eric Charlton, Minister for Transport from 1993 to 1998, and Leader of the National Party WA in the Legislative Council from 1989 to 1998, supplied some recollections of Mr Lewis. He said, “The portfolios of planning and transport often involved dealing with the same projects and required cooperation between us. As a consequence, we had many discussions over the years. On the odd occasion, Richard would get a little excited when he thought some of my activities spread too far into Planning. A few examples were the Midland railway land, Forrestfield, North Fremantle, and the construction of the Northbridge tunnel and Graham Farmer Freeway. Members may be interested in knowing that the Graham Farmer Freeway was built on budget and three months ahead of schedule. Another area where we worked together was the planning amendment for the Fremantle eastern bypass—an alignment that should have been retained. Richard and I had many great discussions and laughs together. I always looked forward to his humour and comments about issues of the day. Richard had a particular one-liner I remember, when referring to a happening of the time—‘It’s a scandal!’”

In his ministerial capacity, Mr Lewis made some regional decisions. He recognised the importance of a holistic approach to planning for the future needs of Western Australia, inclusive of regional WA. In 1993, in his capacity as Minister for Planning, Mr Lewis was responsible for the overhaul of the State Planning Commission into a new, restructured Western Australian Planning Commission. The restructure was put in place with the vision to have a new, cohesive commission set up to concentrate on identifying and planning employment, housing, recreational and educational opportunities on a statewide basis; improving the administration of the planning process; and better progressing the government’s vision for the planning of the state and its regions. Mr Lewis oversaw the development of several regional development strategies that supported state and local governments to make informed and strategic decisions in planning for their communities.

We remain grateful to Mr Kennon Richard Lewis, AM, for recognising the potential for these regions to play an active role in growing tourism and other economic development opportunities for WA. We pay tribute to his contribution to the people of Western Australia. I had the opportunity to meet Richard earlier this year. I was captured by his humility and congenial personality. As the Premier said, he struck me as a person whose door was always open.

Vale, Richard Lewis.

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [11.23 am]: I, too, rise to contribute to this condolence motion in honour of the late Kennon Richard Lewis, AM, known as Richard Lewis. I was contacted by some surveying friends of Richard’s when they heard that this condolence motion was to be moved. I have done my best to verify whether their anecdotes are accurate or not. I beg the forgiveness of the chamber if there are inaccuracies in my contribution. To that end, I would like to thank Kevin MacMahon; Rob Agnew; John Zadnick, who is in the public gallery, and I believe is godfather to Richard’s son; and also my dad, Eugene Browne, for their assistance in putting this condolence motion together.

Richard joined the Department of Lands in 1955, applying for a job as a 15-year old, although he had turned 16 by the time he took the position. He fronted up in response to an advertisement for eight jobs and apparently only

six applicants turned up. I am told that was the benefit of being born at the start of the war. Apparently, a few years later, the same eight cadetships were advertised and 200 applicants turned up. Cadetships in those days were prized because they offered the opportunity for training while also drawing an income. I am told by Richard's friend Kevin MacMahon that they both enjoyed skindiving and used to drive down to Point Peron in a 1936 Austin 10 to swim to Garden Island. Kevin tells me that he and Richard used to dive on the wrecks in Thomson Bay and pull up clay pipes from the wrecks. Richard had a skill not revealed by other sources. I am advised by Kevin that Richard was a talented caricature artist—I am told, to rival Paul Rigby. According to Kevin, he drew a “Mack the Knife” caricature of Kevin in the Austin 10 with a snorkel, flippers, fish, and God knows what hanging out of the windows!

The cadet cartographers all encouraged each other, and after completing their four-year course they worked on how to achieve their aspirations to become licensed surveyors. Part of the attraction of surveying at the time was that it was quite physical work. They would work all day in the field and then complete a few hours at night recording calculations in field books. Hearing that from Kevin took me back to childhood memories of my dad at night sitting in a caravan—if we happened to be out bush, or in whatever government accommodation we happened to be residing in in regional towns—after having done a hard day's work in the field, just as Richard would have done, writing all his notes and doing his calculations at the kitchen table.

Apparently Perth Technical College was a bit of a disappointment to the cadets, as they would knock off work, rush off to Sherwood Court for a plate of spaghetti and then into tech for their coursework. Unfortunately for the cadets, the coursework was on a Friday night. When they were heading in to tech to do their work, all their mates would be heading off to celebrate the end of the week. It was a very rugged existence in the Treasury building, where Lands was located at the time. It was the cadets' job to come in in the morning and use their boy scout skills to light the fire while studiously trying to avoid the staff clerk. Apparently the staff clerk used to try to get the articulated cadets to sign up as permanent civil servants, which the boys viewed as a fate worse than death! A friend used to tip them off when the staff clerk was doing his rounds, and they would race off out the back and down the catwalk to avoid him.

Richard successfully avoided the staff clerk and gained diplomas in cartography and engineering surveying from Perth Technical College in 1959 and 1964 respectively. He then returned to Perth Tech to complete his matriculation in order to become a licensed surveyor. He obtained his certificate of competency on 26 June 1969 and was articulated to Alan Lockhart. He continued to work as a licensed surveyor at Steffanoni, Ewing and Cruickshank, becoming an associate partner in 1971. In 1977, he joined Morrie Fisher and became a partner in the firm Fisher Lewis Consulting Surveyors, later becoming a managing director and principal shareholder of the firm.

Richard's work involved cadastral and engineering surveys, and urban design, as well as urban and unit development consultancy. Richard was highly respected by the surveying fraternity and had an association with the Western Australian Institution of Surveyors as far back as 1967, when he was admitted as a student mentor, progressing to associate in 1969 and a corporate member in 1971. He was elected as a fellow in 1995 as well as being a fellow of the Australian Institute of Company Directors. In his citation for recognition by the Western Australian Institution of Surveyors, while documenting all of Richard's many achievements to that date—17 October 1995—it was noted that —

Richard has had a most distinguished career in serving the community at local and State Government level, particularly in his present position as Minister for Planning and Heritage. Throughout his professional and public life, he has retained membership of the Institution of Surveyors and has on many occasions assisted sub-committees in their interaction with Government. He is a Surveyor and member of the Institution who has brought great credit to the profession.

The elevation of a Member to Fellow of this Institution is recognition of service not only to the profession, but also of contribution to the community. Richard Lewis has dedicated his life to the objects of the Institution and has brought credit to the profession through his involvement with government.

I think that sums up well who Richard was. Richard was always known as a minister. I think it was acknowledged that his grassroots work as a surveyor and in small business served him very well as a minister in the government. He was always seen as somebody who was very pragmatic and very sensible. He had a considered approach and was always professional. I have never heard a bad word said about the way in which Richard conducted himself as a minister.

In Richard's valedictory speech, he said —

... I believe that all people are good and true ...

As parliamentarians we have to raise our game, conduct ourselves better, be scrupulous in our debates, leave personalities out of it and try to lift the whole ethic of parliamentary life.

Those are words that I believe would appeal to the hearts and minds of people in the electorate today.

On a personal note, Richard provided me with advice and assistance on a number of matters during my time as a member in this place. Most recently, he approached me about the strata legislation. Richard was quite alarmed at

how complex and cumbersome our legislation had become. When the strata legislation was introduced, he wanted to introduce an instrument that any mums and dads living in townhouses could use to go to the State Administrative Tribunal if they had a problem. He quite accurately bemoaned the fact that the new legislation has become so complex that mums and dads in strata complexes are probably no longer able to access SAT to defend themselves. Richard made that point quite strongly to me at the time. He also contacted me recently about the proposed sale of Landgate. As a surveyor and a fellow of the WA Institution of Surveyors, that is something to which he was opposed. He remained active and engaged right up until recently, and I will be ever grateful for the advice he provided me. It certainly assisted me with my deliberations in this place.

I offer my sincere condolences to Richard's wife, Helen, his daughter, Morgen, and son, Lachlan, all of his family and, indeed, all of his friends and colleagues in the industry who very much miss his company. I understand that the last few years would have been very difficult for the family, but I would like to put on the record that every time I met Richard during the time he was unwell, he was always gracious and engaging; he kept his sense of humour and he was up to date. He always had something to contribute and a kind word to say to whomever crossed his path. I think that is a lesson for all of us in this place on how to conduct ourselves.

In closing, I put on the record my thanks to Richard Lewis for not only his contribution to Parliament but also his huge contribution to the community.

MR D.C. NALDER (Bateman) [11.32 am]: I also would like to extend my sympathies to Helen, Morgen, Lachlan and the family, and to make a short contribution on my interactions with Richard Lewis.

Richard's seat of Applecross almost mirrored my current seat of Bateman, and Richard and I had many conversations, particularly given electoral boundary changes and the experiences that he had had and that I went through. Richard and I spent a lot of time talking. He became a mentor to me and provided me with counsel and advice, which was always appreciated.

My family's appreciation of Richard goes way back. Richard actually served on a committee with my dad, looking at the Midland saleyards back in the 1980s, and he was always respected by my family. But there was one area on which Richard and I could not agree, and we agreed to disagree in the end. Right the way through, we respected our differences of opinion, but unfortunately he supported East Fremantle Football Club and I supported South Fremantle Football Club. There were so many things on which we were aligned, but that was one thing that we just could not come to terms with, and we agreed to disagree on that and move on. Even though I am a vice-patron of the East Fremantle footy club and I support footy more broadly, he accepted that but he really could not accept the fact that I barracked for the mighty red V.

Richard was a mentor who provided great advice, which I always respected and appreciated. He will be missed.

MR W.R. MARMION (Nedlands) [11.34 am]: I rise to make a brief contribution on my interaction with Richard. He was always very helpful to me, giving me advice while smiling! Whenever I was in a room he would seek me out and tell me what was going on, and give me his views on where we should be heading, and I always took that on board, of course.

I probably first met Richard when I worked as chief of staff to Peter Foss. I put it on the record that there were very strong characters in Richard Court's cabinet. As has already been highlighted, the Nationals had some very strong characters, as did the Liberal Party. Richard had the sort of personality that was able to bring them together, and I think that is a trait that is needed in a team. Richard added to that cabinet team by being able to bring together people who might have had slightly different opinions on things and to head them towards getting the job done.

Richard was a licensed surveyor. He may be the only licensed surveyor ever to have been a member of Parliament; I think that would be worth researching. I think it is important for Parliament to have people from all different professions, and I am sure the professional licensed surveyor community would be very proud that Richard gave up a very successful career to come into Parliament on a lower salary to represent the people of Western Australia. He knew the importance of accuracy. In his day, Richard would have been out there measuring things physically using a theodolite, translating degrees and minutes through logarithmic scales, and using a book to convert them back again after the calculations were done. Today, things have changed a lot and we have GPS instruments that make the job a lot easier.

Richard saw a lot of changes in his life. He was a valuable contributor to his profession, to the Parliament and to cabinet. I pass on my condolences to Helen, Morgen, Lachlan and all the family.

MRS M.H. ROBERTS (Midland — Minister for Police) [11.36 am]: I rise to pay tribute to the life and political career of Richard Lewis. Interestingly, I am the only person in this house who actually served in Parliament with Richard Lewis. His last term coincided with my first term. He was elected in 1986 and served about seven years in opposition. In 1993, he became a minister in the first Richard Court ministry. When I arrived in Parliament in 1994, it was a very different place. I sometimes say—it offends some current members—that we had a few more "characters" in Parliament back then, and Richard was certainly one of them. Although I do not remember everyone who was in Parliament when I first arrived, Richard certainly stood out as one of the characters.

To put that in some context, I had previously been on the planning committee of Perth city council. I also served on the board of the East Perth Redevelopment Authority up until the year before my election to Parliament. Coming in here as a new, keen and enthusiastic member of Parliament, planning was something that I thought I knew something about. I was pretty intensely interested in the East Perth Redevelopment Authority, and with the enthusiasm of the now member for Dawesville, I asked Richard quite a few questions. I enthusiastically sat there during consideration in detail of planning bills and peppered him with questions. He would cope for a while and then he would give me a bit of a look as though to say, "I've had enough of this." It was a very different era.

To give members some more context, the first Court ministry had only one woman, Cheryl Edwardes, so it had more the feel of a gentleman's club than it does now. A young woman in here was quite a novelty for most of the members who had been here for a long time. There were a lot of characters in this place.

Richard and I had a few stoushes across the chamber. At one point when I was asking questions during the consideration in detail stage of a planning bill, he told me to stick to my knitting, at which I took offence. He then clarified that by saying that he was not trying to be offensive; he was just trying to suggest that I should stick to talking about something that I know something about. He had a bit of a wry smile. I had some good fun with it and got some great publicity out of it. We never took those arguments outside the chamber. Richard had a great sense of humour. He would say things like that in jest. Maybe some of those things are less politically acceptable now than they were then. There was very robust debate in this place. People would say things then that no-one would say now. We would walk out of this place and have a cup of tea, or be in the members' bar or in the afternoon tea room and relations right across the parties were very, very good. There were some genuine friendships across Parliament. Richard was quite close friends with some of the Labor members during his time in Parliament. In my view, there were many more friendships across the house than there are these days.

In my experience, Richard generally did not take things personally. We debated the issues. We had robust arguments in Parliament but we did not take it out of here. It was never personal. On a personal level, I know that Richard had a lot of friends and supporters. He was well liked. He made a significant contribution to this state in public life. That was recognised when he was awarded the Member of the Order of Australia. Prior to coming to Parliament, he served in local government, as did I, the current Premier and many members in this house. There was no remuneration at the local government level in those days. When Richard Lewis served on the City of Melville, he received no payment. We were not even reimbursed for out-of-pocket expenses. We met the cost of phone calls, petrol and other out-of-pocket expenses ourselves in order to provide that service to our local community. I applaud him and congratulate him for that. I applaud him for his service in the Parliament of Western Australia. He made a significant contribution as planning minister of this state. He was very passionate about the East Perth Redevelopment Authority. It is no coincidence that the subsequent Court government appointed him to chair the East Perth Redevelopment Authority. He leaves behind a very strong legacy.

Finally, I would like to extend my condolences to his wife, Helen, in particular, and also his children, Lachlan and Morgen. Families make a big contribution when their father or mother or spouse is elected to Parliament. If anything, in those days there was a higher expectation on the spouse of the member to attend functions and contribute to the work of the member of Parliament. Helen, thank you for the support that you gave Richard during the considerable period he spent in public life. I certainly extend my sympathy and thanks to Helen, Lachlan and Morgen.

MR J.E. McGRATH (South Perth) [11.43 am]: I rise to talk about Richard Lewis. Everyone who has spoken in this place today has really captured the life of a wonderful person and an outstanding contributor to not only this place, but also the state of Western Australia. I got to know Richard well only about 10 years ago after the passing of the late Trevor Sprigg, who was a member of this place. Trevor was a vice-patron of East Fremantle Football Club. After his passing, I was invited by the club to also become a vice-patron, which I still am, along with the member for Bateman. I used to run into Richard at East Fremantle home games and I got to know more about this guy. I liked him more when I found out that he was born in Fremantle. People who were not born in Fremantle do not understand what it is like to be born in the great city of Fremantle. More importantly, Richard was born in East Fremantle. He went to Richmond Primary School, which was the same school my father attended, and was in the same class as East Fremantle legend Jack Sheedy. Richard also went to Fremantle Boys' School, which is another school that my father attended. I later attended the first John Curtin School, which was the old Fremantle Boys' School renamed. We built up a great friendship. We talked about the good old days of the East Fremantle Football Club. Unfortunately, Richard would be a bit disappointed given the way we have started this year. Everyone said that Richard was passionate about the West Coast Eagles; he had a great love for the team. I am not sure that he did not have a great love for East Fremantle because it was where he grew up. He grew up watching great legends such as Jack Sheedy, Jack Clarke, "Big Bob" Johnson and all those guys. We would reminisce about those days.

As other members have said, Richard also loved to talk about his time in this place and some of the challenges that he faced, especially the Graham Farmer Freeway, which I think is the greatest bit of infrastructure in this state's history. Before it was built, if we wanted to travel from the airport to the northern suburbs, we had to drive down St Georges Terrace. Richard had a big involvement in that.

In more recent times, Helen and Richard moved into South Perth and became my constituents. Richard was often on the phone. Because of his planning background, he gave a lot of advice to the local residents' action group because of all the changes down on the South Perth peninsula. He was often on the phone giving me advice on what should and should not be done. John Day, the Minister for Planning under the Barnett government, sometimes got a mention in those dispatches.

Richard was also very close to the former Premier, the member for Cottesloe. I guess they worked in cabinet together. He would say to me, "I've got to get on to Colin about this." I would say, "Good luck, Richard." He would say, "No, I'll get him. We'll go and sit down and have a glass of wine." He was very close to the former Premier and I am sure he would have given very good advice. Richard was very passionate about the Liberal Party; he loved the Liberal Party. When any of us had a function, Richard would be the first one to say that he would be there. He supported a lot of new members and gave a lot of good advice.

I will miss Richard at the footy. It was great that he was made a Member of the Order of Australia in the 2019 Australia Day honours list earlier this year. When we look at what he has done and after listening to what other members said about Richard's contribution to the state, it was probably long overdue. It is great that he received the honour and I am sure he enjoyed being given that recognition.

In closing, I would like to express my condolences to Helen and members of his family, and Roger, whom I also know. Richard was a member of Royal Perth Golf Club. He and I had a few games of golf. I do not think either of us shot the lights out but he was always good company. Condolences to you, Helen, and the family.

The SPEAKER: I request that all members rise for one minute's silence in support of this motion.

Question passed; members and officers standing as a mark of respect.

ECONOMICS AND INDUSTRY STANDING COMMITTEE

Fifth Report — "Implications of a Distributed Energy Future: Interim Report" — Tabling

Resumed from an earlier stage of the sitting.

MR S.K. L'ESTRANGE (Churchlands) [11.50 am]: I rise as the Deputy Chair of the Economics and Industry Standing Committee to speak briefly on the "Implications of a Distributed Energy Future: Interim Report" that was tabled today. The WA energy system is undergoing significant transition with a rapid uptake of large-scale and small-scale renewable resources. Most notable and obvious for everybody here would be the uptake of rooftop solar or photovoltaic panels. The largest network in Western Australia, the south west interconnected system—the SWIS—now has 26 per cent of houses with PV installations, which is more than 280 000 houses. Therefore, solar PV is now the single largest source of generation capacity on the SWIS. Rooftop solar capacity is now three times larger than the single largest generator on the SWIS, which is an interesting change that we are noticing, because, of course, traditionally the WA electricity system was highly centralised with large-scale thermal generation plants fuelled by coal, gas and diesel. They are still significant generators on the SWIS, but we are noticing changes occurring because of new technologies. Those sources produce electricity, which is then transported via high-voltage transmission and low-voltage distribution networks. We see the poles and wires in some of the outer areas of Perth now with a lot of the inner suburban areas having their power undergrounded. This traditional model is undergoing significant change. There is a shift to more localised energy production and consumption and therefore, particularly with PV, microgrids have come about.

For those members who are real buffs on microgrids, I do not need to tell them what it is, but for others, microgrids are essentially a source of energy—for example, gas, wind and solar—that creates the electricity generation to supply to households or a battery. These small grids can be either plugged into the overarching network or islanded away from the network and operate in that way. A key aspect of all this is battery technology. Battery technology is key to the success of microgrids and many of us in Western Australia know the importance of lithium to the current battery technology, and our good supply of that. Approximately 52 per cent of Western Power's south west interconnected system assets serve only three per cent of the customer base. That is an amazing statistic. The reason is that these customers are located in the outer spans of the south west interconnected system. They operate on the fringe of the grid out in regional and rural areas. Often, the transmission and distribution powerlines going out to these areas are susceptible to fire and storm damage. We can see now that with the evolution of technology, there is an alternative that can supply power to these households that might be a safer and more secure source of energy. That is through microgrids.

Microgrids have started to pop up around Western Australia. A trial is going on at Carnarvon. Marble Bar has a hybrid microgrid. Onslow uses gas as a primary fuel for its microgrid. Karratha Airport has a microgrid. Ravensthorpe has Western Power's original standalone trial, and Kalbarri is another example. There are more. Kalbarri is an interesting one that highlights for me the reason that microgrids are becoming more important to those regional areas. Kalbarri sits at the end of a 140-kilometre distribution line from Geraldton that is often interrupted by storms. A microgrid has been set up with a utility-scale battery that is charged by a combination of network, wind and solar sources. There are other examples.

The microgrid and battery side of this industry presents opportunities for the Western Australian economy, and the committee looked at those opportunities. As I said at the start, the rapid development of WA's lithium industry is obviously a key component. It needs to be noted that battery production is also relevant to the evolving electric vehicle industry. WA is well placed to supply the many other mineral inputs, other than lithium, to batteries for not only microgrids and home-based battery storage, but also the evolving electric vehicle market. When we looked at the electric vehicles, we tried to understand the impact of electric vehicles and their evolution on infrastructure in Western Australia. Of course, our electricity networks need to be well understood and we need to look at them in the context of how they can support electric vehicles. We looked at the electric vehicle market as part of this research and found that in 2017, only 270 battery or plug-in hybrid electric vehicles existed. In 2016, electric vehicles represented just 0.1 per cent of the total new car market. We can see now that as this market starts to grow—0.1 per cent is pretty small—more pressure will be placed on our electricity network to recharge those batteries and on the infrastructure to meet the demand. That is more so the case in Western Australia than it is in the south-east coast of Australia. Western Australia, as we know, is vast and for us simply to travel from Perth to Esperance is a big drive. It is a nine-hour drive to Esperance.

Mr P.J. Rundle: No, it's about eight.

Mr S.K. L'ESTRANGE: I stand corrected. It is about an eight-hour drive.

Mr W.R. Marmion: It is seven through Lake King.

Mr S.K. L'ESTRANGE: It is seven hours through Lake King. In any case, the main barrier to electric vehicle ownership will probably be the perception of electric vehicles' range. There will be a fair bit of work for our community to come on board to adapt to that. We note that one of the other issues or barriers to electric vehicle ownership in Australia is availability. Not many options are available on the market and most of those options are quite expensive.

In my brief reflection on the committee report today, the inquiry opened up for me a better understanding of how our electricity system operates in Western Australia; how new technologies are changing how we view electricity systems; and how communities can better utilise a more secure electricity system through the use of things such as microgrids.

I thank the chair, the member for Swan Hills, for her leadership on this inquiry. I thank the member for Jandakot, the member for Warren–Blackwood and the member for Forrestfield for their camaraderie during the long nights of research that we had to undertake in this very interesting and technical inquiry. I also pass on my thanks to the committee staff, the principal research officer, David Worth, and to our research officers, Lachlan Gregory, who has now rejoined us in the chamber as an assistant clerk, and Franchesca Walker, who recently joined the committee. I recommend to everybody in the house to look at this report. It is an interesting one and no doubt it is the start of a conversation about where we as a state go in managing electricity supply and adopting these new technologies.

MR D.T. REDMAN (Warren–Blackwood) [11.58 am]: I would like to make a contribution to the debate on the fifth report of the Economics and Industry Standing Committee, "Implications of a Distributed Energy Future: Interim Report." This is a fantastic report. Although it is an interim report, it is a very factual representation of what is happening in the energy space in Western Australia. The final report, which is still to come, will obviously sharp-point recommendations that the government may well pursue to address some of the emerging issues that are raised in this interim report.

A lot is happening in the energy space, not only in Western Australia and nationally, but also, of course, around the world. The development of renewable energy technologies that are now cost effective is having quite a disruptive influence on our networks and energy utilities, in both a positive and negative way—it is presenting both opportunities and challenges. The first disruptor I want to deal with is the penetration of solar PV rooftop panels. I remember sitting around the cabinet table quite a while ago—about a decade ago—and talking about a feed-in tariff to try to support the introduction of solar PVs. That went off the scale in a very short time, and we are now seeing the benefits of that. For a little while, it was costing taxpayers a fair bit to achieve that, but not anymore; it is being driven on its own merits. That level of penetration is having some influence on the grid network.

Battery technology, both behind the meter—that is, at a household level—and also at a grid scale, is now cost effective and presenting a significant opportunity. In Western Australia and South Australia, and in other areas around the world, grid-scale battery technology is being used to support particular networks. Smart operating systems and communications technology have come on strong, and that is enabling the full utilisation of that technology. The innovative trials that other members have talked about, to see how that technology can be used to mobilise what is happening in the energy space, particularly with renewable energy, are changing how we do business. Those trials are highlighted in this report and are worth reading and talking about.

Another disruptor is the emergence of electric vehicles. In one sense, we think about electric vehicles as something to get us from A to B. However, in another sense, they are a battery on wheels. If we take an energy focus to that, we can see that it presents an opportunity to utilise that in a very efficient way to support our networks and other ways of distributing and managing energy around our state. That is really important.

I turn now to the impact of these disruptors. For the most part, we do not see the impacts, and many members of the public do not see the impacts, because they are not immediately apparent. The penetration of solar PV has had a massive impact. In some communities—Carnarvon is probably at the sharp end of this—the penetration of rooftop PV has hit the maximum and is affecting the capacity of Horizon Power to deliver services to that community on the network. Therefore, quite rightly, one of the trials is to find ways to better manage that. There should not be any limitation in this state on people taking up solar PV as a strategy to reduce their energy bills. This is not related to the technology that is coming on, but in the Esperance community, represented by my good friend and colleague the member for Roe, there is a limit on how much solar PV can be put on roofs, so people are missing out on that opportunity. These are the sorts of things that are emerging as challenges for government and for our regulatory process to be able to manage and support. The penetration of solar PV is one of those disruptors.

Another disruptor is our networks themselves. As the member for Churchlands highlighted, in the south west interconnected system, 52 per cent of the network is delivering to three per cent of consumers. That network is now a two-way street. It is a two-way flow of electrons. The technology is such that electrons are flowing not just from one central generation point to the other end, which is probably out to Kalgoorlie or down to Ravensthorpe, but both ways, with, in many parts of the grid, some generation points, and some batteries. It is a very different way of doing business. The decentralisation of the energy resource is creating its own challenges, because that is now a very different system to manage. Trials are being conducted of standalone power systems, rather than having those services delivered on the Horizon network. Western Power also has some standalone power systems to deliver services to a constituency in Western Australia that may be quite diverse, certainly in a geographical sense.

Another massive opportunity that is emerging out of this technology is the capacity for battery technology to defer capital investment. The member for Churchlands mentioned Kalbarri as an example. The introduction of grid-scale battery resources could defer capital investment on other weak points in the grid network and provide a substantial saving to not only network providers but also, of course, taxpayers.

A third disruptor is network stability. I will not go into that in depth, but I can say that I have been educated massively by not only the chair of the committee, but also by a lot of the conversations that we have had, about the fact that PV penetration in particular is somewhat of a threat, because it is causing instability to the network. A range of ancillary services—again, I will not go into those—are being provided to support the stability of the network. Some of those ancillary services cannot be provided from solar PV or battery sources, for example. However, no remuneration is provided to the people who provide those services. Therefore, the challenges run both ways. There have been some very good articles in *The West Australian* about the Australian Energy Market Operator, led by Audrey Zibelman, about some of the challenges and threats that are emerging.

This report lays out very well some of those disruptors, and hopefully touches on the opportunities that exist to support new ways of doing business, particularly in the renewable energy space. From my perspective, and obviously also from the National Party perspective, there are many opportunities for regional Western Australia. One chapter of the report is about a range of trials that are taking place around the state. Those trials are worth looking at. Many of those trials are in regional Western Australia and are about different ways of applying microgrids to achieve the desired outcomes. Those trials offer massive opportunities to improve reliability and sustainability in the provision of electricity services to consumers, particularly on the fringe of the grid. They provide an opportunity for consumers to play a role by participating in the network through community aggregation of networks and aggregation of batteries and solar panel resources.

The battery value chain is another issue that is touched on in this report. It is fantastic that the government has set up the Future Battery Industries Cooperative Research Centre. There will be challenges. It is as though history is doing a turn, because back in the 1960s, Charles Court tried to find a way to get downstream processing of our iron ore industry. We now have lithium in our space, and we are looking at how we can get the downstream activities that we would like to see in Western Australia.

I have mentioned electric vehicles. The technology is coming on very fast. It is amazing to see that some of the companies that are producing vehicles are putting a deadline on when they will shift to electric vehicles. That will have an indirect effect on our capacity to respond. Western Australia has some unique issues, geography being one of those. However, if we can think ahead of the curve, we will have the capacity to respond in an appropriate way. I am not sure that people in regional Western Australia will get out of their four-wheel drives any time soon, but if we consider electric vehicles as a battery on wheels, it is a massive opportunity that needs to be considered in how we do business. That applies particularly to tariff policy. I think tariff policy will change, although I am not sure I know the exact landing point just yet.

In concluding, this is a fantastic report to read. It is very factual. It describes what is happening in the energy space in Western Australia. There will be significant regional benefits and opportunities. In this increasingly carbon-constrained world, it will help Western Australia to meet its contribution to some of the targets that have been set both nationally and internationally, and that is very important.

Finally, I thank the members of the committee, particularly the chair, who has a massive passion in this space and I think educated all of us on a lot of the issues. That passion certainly shows through in this report and I am sure will show through in government policy. I also thank the staff of the committee, David, Lachlan and Franchesca. It takes a lot of effort to pull all this stuff together. We have been a particularly busy committee. The fact that we were able to deliver a report of this quality is very important, and they were certainly integral to that. Thank you.

MR S.J. PRICE (Forrestfield) [12.09 pm]: I am pleased to contribute to the debate on the Economics and Industry Standing Committee's interim report entitled "Implications of a Distributed Energy Future". As the chair of the committee states in the foreword, this report provides an overview of the microgrid distributed energy resource technologies being developed in the state and discusses the opportunities along the battery value chain. It also considers the impacts of electric vehicles.

The inquiry has been very, very interesting. If members have not had much of an interest in energy previously, I certainly encourage them to read this interim report. The information in the report is very good and quite easy to understand. The committee certainly benefited from the chair's vast knowledge of and experience within this industry. My view on power was that I turn the switch and the light goes on and that is great, but when I looked into the intricacies of the technology and the complexities that sit behind it, I saw that it is an incredible industry that has such a big impact on all our lives, yet we really do not appreciate its importance. I certainly thank the chair for explaining in a way that we could understand the technologies and the different aspects of the industry. When we started holding hearings and talked with industry representatives from around the country and, indeed, around the world, we had an understanding of what they were talking about, and that flowed through into this report.

Ms J.J. Shaw: I'll send you the bill for the interpreter service!

Mr S.J. PRICE: Yes. It is an industry that, as has been stated, is certainly undergoing unprecedented change at a rapid rate. In 2019, the volume of generating capacity of photovoltaic solar panels on rooftops in the south west interconnected system was in excess of one gigawatt—that is with over 280 000 installations on approximately 26 per cent of houses. That is a significant amount of new generating capacity. The solar panels on my house were installed in 2011, I think, and the early rollout with the incentive schemes to get people to take up solar panels was back to 2010. As the cost of the infrastructure has come down, there has been a rapid uptake of the systems, so we need to look at the next step in the process of getting people to use renewable energy. The rapid uptake of solar panels and their generating capacity has created issues in the security of the power supply across the state. There are issues associated with the uncontrolled generation capacity that is now in the system. When that is mixed in with our legacy generating capacity—that is thermal power stations that have to run constantly with a pretty steady level of output—we get a fluctuation in supply that is creating issues that need to be addressed into the future.

Committee members mentioned the trial in Carnarvon. There is a lack of data on what is happening behind the meter on houses with PV systems. We know how much power those houses export, but we do not know how much they use. That does not give us a true reflection of the actual power requirement because we cannot see how that power is being used, when that power is being used and what is actually using the power. An increased understanding of power usage behind the meter would be advantageous to power providers into the future, and it is certainly something we need to look at.

There are a number of trials across the state, and the committee was fortunate enough to visit some of them. We saw cutting-edge projects. It is pleasing that the government trading enterprises are front and centre in this process. The importance of Western Power and the SWIS became very apparent throughout this inquiry. As the member for Warren–Blackwood mentioned, power is no longer unidirectional; it is bidirectional. Instead of electrons travelling into a house, they are actually travelling out of a house; they could be going next door. The development of peer-to-peer trading and blockchain technology is being used to distribute energy amongst communities also. But that all needs to go through a poles-and-wires system, which puts Western Power, the largest network in WA, right in the centre of things. It is great to know that a McGowan Labor government will continue to keep Western Power in government hands as a publicly owned utility, while the opposition is considering getting rid of it as part of its potential policy at the next election. Western Power is an important element of our power supply and we need to ensure that we keep control of it.

The committee saw a number of examples of trials that are underway, but I would like to speak about one that is slightly different from the others that members have mentioned. Sandfire Resources is undertaking a trial project at its DeGrussa copper–gold mine near Meekatharra. It is incredible that a mining company is looking at putting in DER and renewable energy that is completely disconnected from the system to run its mines. The committee was provided with details about this project. The mine previously relied on a 19-megawatt diesel-fired power station. Sandfire Resources installed a \$40 million solar project comprising over 34 000 solar panels, which track the sun, connected to a six-megawatt lithium-ion battery storage facility, which supplies around 20 per cent of the mine's power and saves about five million litres of diesel a year. In the copper mining process, or any mining industry, a constant power supply is critical. If there is a power blackout, there can be all sorts of problems within the processing plant. It is really positive to see a company with the confidence to install this system and it should be recognised as a great initiative.

Another good initiative undertaken recently is the Mandurah battery bank. Western Power has partnered with Synergy and the City of Mandurah to trial the power bank.

Mr D.A. Templeman: Did you go and have a look?

Mr S.J. PRICE: No, I have not seen it yet, but it is a wonderful thing. A 105-kilowatt Tesla battery allows 52 households to store up to eight kilowatts of excess solar from their PVs at a cost of a dollar a day. That is incredible. It is great to see such a quick take-up in that particular example. The government has done wonderful work to support those sorts of trials.

I would like to thank everyone who has been involved in the inquiry until now, including people who have given evidence or provided submissions, everyone in the industry, and the experts, both local and from across the country. They have been so helpful and forthcoming with information. It has really enabled the committee to provide a very informative report that can certainly be relied upon into the future. Once again, I acknowledge the great work of the chair because people's willingness to engage had a lot to do with her knowledge of and history in the industry. That is great. I express my appreciation for my fellow committee members: deputy chair Sean L'Estrange, member for Churchlands; Terry Redman, member for Warren-Blackwood, "Yaz man", member for Jandakot; and, of course, the chair, Jessica Shaw, member for Swan Hills. I thank our secretariat—David Worth; Lachie Gregory, who is now back in the chamber; and Francesca Walker—for their efforts and support in preparing this report. Thank you.

TEMPORARY ORDERS 40, 101, 146, 147 — STANDING ORDER AMENDMENTS

Amendment to Motion

On motion by **Mr D.A. Templeman (Leader of the House)**, resolved —

That business of the Assembly, order of the day 1, be postponed until the next day's sitting.

LOCAL GOVERNMENT LEGISLATION AMENDMENT BILL 2019

As to Third Reading — Standing Orders Suspension — Notice of Motion

Notice of motion, given Wednesday, 10 April, withdrawn on motion by **Mr D.A. Templeman (Leader of the House)**.

INFRASTRUCTURE WESTERN AUSTRALIA BILL 2019

Consideration in Detail

Resumed from 10 April.

Clause 3: Terms used —

Debate was adjourned after clause 2 had been agreed to.

Dr M.D. NAHAN: I will go through this clause to clarify the terms used. I know what CEO means, which is at line 20 on page 2. The Premier mentioned that John Langoulant was the acting chairman. In the interim, will he be the acting CEO or just chairman?

Mr M. McGowan: No.

Dr M.D. NAHAN: He will be the acting chairman, not CEO?

Mr M. McGowan: Correct.

Dr M.D. NAHAN: One of the unique aspects of this legislation is the definition of infrastructure on page 3, line 20. It states —

infrastructure includes infrastructure that has, or is intended to have, economic, social or environmental value;

Elsewhere, the legislation applies a triple bottom line to the assessment process by Infrastructure WA. Similar bodies do that and I understand that this definition is simply a comprehensive look at all types of infrastructure that the state has involvement with, whether it be social, economic or environmental. Will there be any restrictions on the range of issues and types of infrastructure that the body will look at, even if they are not traditionally in the state domain, but could be assisted by the state in some way? Other agencies and infrastructure bodies are quite wideranging on matters relating to the private sector for things that are traditionally done by the private sector, but that are not traditionally done by the public sector. What is the gamut of activity and what are some of the defining criteria by which infrastructure will be included?

Mr M. McGOWAN: Infrastructure WA might provide advice to government on a private development. If there was a private development of a private port somewhere in the Pilbara, or something of that nature, it might require some public expenditure. As a consequence, Infrastructure WA might provide advice to government, but it will not do a business case analysis of a private development, if the member understands what I mean. When it comes to the definition of infrastructure on page 3, "economic, social or environmental value" is a very modern way of looking at infrastructure. I think that addresses some of the concerns raised by some members in that it will look at the social and environmental consequences of the provision of some infrastructure, particularly in the regions.

Dr M.D. Nahan: The Victorian infrastructure body, for instance, extensively looked at the layout and future needs of recharging electrical vehicles into the future. That might have been a result of a brief given to it by its government, but it went into that. In Victoria, all electricity authorities are privately owned, though to some extent they are regulated by commonwealth legislation. The relationship between private and public is sometimes fluid and I accept that. Historically in Western Australia, particularly in the large mining sector up north, we have had the choice between the public sector providing infrastructure, such as rail, or the private sector funding it. Historically, and rightly, we have chosen the private sector to have the rail up north, though in certain instances we regulate it. As a brief to the incoming chair, what kind of rules is the Premier thinking about in setting the gamut of his preview of infrastructure? I am sure Mr Langoulant will ask the Premier that so that he can get things done in a timely manner. It is a big issue. I have looked at all the reports of other agencies, and they go to areas almost idiosyncratically; for instance, they do not do it very much in schools, but a lot in electricity. Could the Premier give some idea about his marching instructions to the inaugural board and the management of Infrastructure WA and what he is looking for in the full range of infrastructure?

Mr M. McGOWAN: The ordinary process would be that the board would need to decide the scope of the infrastructure for consideration under the strategy. I think it is quite interesting that the Victorian board examined the provision of infrastructure for electric vehicles. That is looking to the longer term for the state. As the member could imagine, if we are all here in 20 years, we all may well be driving electric vehicles. It may be something that the board would decide to examine of its own accord. The Premier and the government can make a referral to Infrastructure Western Australia to examine a particular issue, which would be a good thing for a government to have at its disposal, such as infrastructure for electric vehicles, which is obviously an upcoming issue. If the member has a look at clause 8, he will see that it says one of the functions of Infrastructure WA is to provide advice to the Premier on any other matter related to infrastructure. Its remit is quite broad. It will not do an approvals or assessment process of a mine, an oil and gas plant or something of that nature, but it might provide advice to government on what services and infrastructure may be required to be placed around it to support such a development.

Dr M.D. NAHAN: I guess it will come down to what the Premier is saying. Can he confirm that, to a great extent, he will leave the coverage of the remit to the board and leave it to set the pattern for future reports by Infrastructure WA, particularly in the first strategy? We will deal with this later, but I note that this bill, and other infrastructure bodies, give the Premier or the minister the ability to direct it to look at other issues. Will the Premier, to a large extent, leave it up to the new board to decide what the remit and coverage of the first strategy will be?

Mr M. McGOWAN: Correct.

Dr M.D. NAHAN: One of the definitions is —

government trading enterprise means any of the following —

Does the following list mean all the government trading enterprises, including Western Power in its infrastructure activity, are potentially going to be covered by Infrastructure Western Australia?

Mr M. McGOWAN: Yes. As the Leader of the Opposition can see from clause 3, the strategy will cover electricity, ports, water, and land for state government instrumentalities, and the requirements of the act will overlap those areas. As I have said numerous times, it will be an advisory body to government. The final decisions will be made by cabinet.

Dr M.D. NAHAN: This is a really important issue. I looked at what the other industry bodies have done around the country and it is not clear how they deal with this. Western Power is a state-owned entity with an extensive regulatory process that is overseen by the Economic Regulation Authority. It has a board and legislation and the board and CEO are required to follow the regulatory dictates that are determined by the ERA. It cannot, under the law, deviate from them. There could be a lot of debate about this in many ways. How is Infrastructure Western Australia going to deal with the existing regulatory and planning processes with Western Power, for instance? Is it just going to use the AA4 regulatory body that was decided in January this year for the regulatory spend on the transmission and distribution line? Is Infrastructure Western Australia just going to take that extensively planned set of policies and say, “This is it!”, or will it deviate from that? Will it have the power to recommend alternatives? How will that interrelate with the requirements of the board of Western Power?

Mr M. McGOWAN: The Economic Regulation Authority’s regulating process, I think, is not about dictating where infrastructure goes or anything of that nature. It is largely about the pricing issues that the electricity utilities deal with. Infrastructure Western Australia would have the capacity to interrogate the decisions made by Western Power or Synergy with investments for projects over \$100 million, and I think that would be wise in light of some of the investments that have been made. That is the intended approach. I am advised that the ERA’s focus is generally on the immediate requirements of the grid, not the longer term investments or just the provision of electricity generation or transmission. Therefore, Infrastructure Western Australia would look at the longer term needs and future projections, and provide advice to government on those things. It is important that cabinet and government, when investing hundreds of millions, if not billions, of dollars have a wide array of advice and that is why this is important.

Mr D.T. REDMAN: It is an interesting line of questioning from the Leader of the Opposition regarding the overlap of this authority into the business of our government trading enterprises. One of the other ones is the Water Corporation. My understanding is that the Water Corporation has recently had a capital spend of something like \$900 million to \$1 billion a year, which is not insignificant. I would have thought there were not too many projects in a program sense that meet the threshold for this. Indeed, that threshold applies only if the Premier decides not to lower it, because the Premier can prescribe it to be a lower figure. The board of the Water Corporation has the responsibility for the safe delivery of water services to the community. My understanding is that the legislative base that it works under can mean Water Corporation employees could go to jail if they are in breach of delivering those safe services to our community. We now have the potential for another authority—Infrastructure Western Australia—to have carriage of advice and support for an infrastructure investment decision-making program that could undermine the authority of the board of the Water Corporation, which has pretty significant responsibilities for how it carries out its services, going right to the core of the safety of community members. How does that interaction occur? How does it not impede or undermine the good decision-making of what is largely an independent board that can be significantly held to account for those decisions?

Mr M. McGOWAN: I repeat that Infrastructure Western Australia is an advisory body. It does not make decisions; decisions are made by cabinet. If a decision is made that the Water Corporation is authorised to spend over \$100 million, obviously it then goes through the tender process and it makes the decisions about who wins the tender, but those decisions are made by cabinet. That is the difference. Infrastructure Western Australia will provide overarching advice on the long-term plan for the provision of infrastructure. This is exactly the model that New South Wales uses. In New South Wales, government trading enterprises are called state-owned corporations, so GTEs are SOC's in New South Wales but it is exactly the same model. If we exclude water, energy, land development and ports, the organisation would have a very small role, and probably not a valid role. It is to look at and provide advice and guidance on the overall infrastructure spend by the entire state government.

Dr M.D. NAHAN: I want to go Western Power, regarding the same issue. Western Power does look at long-term needs. The regulatory regime requires Western Power to put forward a proposal to the ERA to assess its ongoing operations, including repair and maintenance of the existing distribution and transmission, and the long-term expansion of those. In our term of government, before I was minister, we made a \$500 million decision if I remember correctly, about the midwest high-voltage link that we built upon. The ERA required all sorts of hurdles be jumped through to ensure it was economically viable and that it had adequate demand. It goes through a rather rigorous assessment process for any incremental investment for the transmission and distribution network for Western Power. The board looks at this and makes a submission, then it goes to the ERA and it makes a recommendation to the minister, to some extent. Western Power does look at expansion and, under its act, it has a board with tight regulation and review over its performance. Whether the other infrastructure bodies do this is interesting but not material. How are we going to deal with this? How is the government going to deal with the real issue of potential overlap between a new body that has a large remit and \$5 million looking over the shoulder of Western Power, which spends—I do not know how much every year? It is probably in the vicinity of \$2 billion to \$3 billion and it has a very large incremental investment. How is the government going to deal with these types of issues? One way, of course, is to go to Infrastructure Western Australia and say, “Why don’t you take what Western Power’s doing? You can provide some notes on where you might differ but not deviate from its long-term plans.” Its long-term plans are dictated, to a large extent, by another—the ERA. I am interested in how the government will fit this new body into an organisation with a regulatory and legislated board. If Infrastructure Western Australia comes up with a whole range of different plans, it could well be counterproductive.

Mr M. McGOWAN: Obviously, these are substantive matters that no doubt we would be able to deal with when looking at other clauses of the bill, but I will answer the question. This is the definition. Infrastructure Western Australia looks at the overarching picture of infrastructure, not just within a specific silo. It can examine and provide advice to government on what else might be required around a new powerline as part of the overall strategy. It might say, “This town is going to grow”, or, “This project is likely to go ahead and therefore provisions for the long-term future”—the next 20 years—“are needed along these lines”. There will then be a rolling program and renewals of the strategy over time. It looks at the overall picture, not just inside the silo. As we know, there are some celebrated examples of investment mistakes by government trading enterprises. Therefore, having that overall picture and another source of advice to government is, I think, a wise thing. Obviously, the body itself does not make the investment decisions.

Mr D.T. REDMAN: At the bottom of page 3 is the definition of “major infrastructure proposal”. It suggests that there is a threshold that will trigger that \$100 million, subject to another amount not being prescribed. I am not sure whether that is necessarily set in concrete. My question goes to the point the Premier has just made about Infrastructure Western Australia in the global context. Further in the bill, and no doubt it will have come up, is the notion of the state infrastructure programs, which is a theme. It may be that a housing, water or power investment program will or will not hit that threshold. The Premier talked about Infrastructure Western Australia taking on that global thinking. Will this threshold apply to particular projects or will it be possible for housing programs, for example, to hit the threshold? Individual house investments are only \$500 000, or whatever it is, in a remote area,

but if a housing program is put together across remote communities and in bigger centres in northern Western Australia, that will be a pretty significant investment. Is that liable to be picked up in the theme of Infrastructure Western Australia, which is what the Premier is driving at—that is, looking globally at investment programs? Although the small parts are insignificant, if they are put together, it is a pretty serious package.

Mr M. McGOWAN: The definition allows for a different figure from \$100 million by regulation if required, which makes sense. Obviously, that would be disallowable. The member should note that the definition provides that it can be a single infrastructure project or a program if it meets the threshold.

Mr D.T. REDMAN: If a housing program, for example, went over the threshold of \$100 million, is it something that would rightly be referred to Infrastructure Western Australia?

Mr M. McGOWAN: Yes.

Dr M.D. NAHAN: In every budget, the government comes up with a primary and secondary schools build. They are then separated out over time to individual schools. Most of those individual school builds, particularly for primary schools, are much less than \$100 million. Would the Premier consider it appropriate for Infrastructure WA to look at the whole school build as an infrastructure need for building primary and secondary schools over time? Would Infrastructure WA be required to look at them? Also, departments that do not want the oversight of Infrastructure WA could potentially break up projects into smaller groups worth less than \$100 million to avoid Infrastructure WA's coverage. How will this be dealt with? This follows on from the member for Warren–Blackwood's question. Will Infrastructure WA be looking at large categories of strategic investment like schools, housing and other projects? Will the Premier require departments to put those together rather than break them up and avoid scrutiny?

Mr M. McGOWAN: As part of the strategy, Infrastructure WA may well look at the overall school build and see where population developments are expected to occur, where we might need schools in the future and things of that nature. Generally, I think the Department of Education does that fairly well, but having another source of advice to government is a reasonable thing.

Mr D.T. REDMAN: I have a question on the same theme. We have talked about significant asset investment by the Water Corporation and its desalination plants and the reinjection facilities in the northern suburbs. It has fairly substantial maintenance programs, which, in their entirety, are substantial programs of investment. They run off strong matrices about how the Water Corporation invests in areas of need and responds to high levels of breakdown. However, generally, a pretty substantial program of investment would massively hit the threshold that will be set for Infrastructure Western Australia. Is the Premier saying that it could well be the remit of Infrastructure WA to move in and start talking to the Water Corporation about its maintenance program, which in its entirety is pretty substantial, and a budget figure that the Premier would argue needs the oversight of a single organisation and a handful of people to make sure it is done right?

Mr M. McGOWAN: No.

Mr D.T. REDMAN: Where is the line in the sand, Premier? We have just talked about housing as investments that can be collected up as a housing investment program, which meets the threshold. The Premier has just responded to questions from the Leader of the Opposition about other areas of government, such as schools, hospitals and the like. What is the Premier saying is the line in the sand for what I have just put to him?

Mr M. McGOWAN: The member was referring to a maintenance program, as I understand it, which is a recurrent program. This is for infrastructure, which is capital.

Dr M.D. NAHAN: That is debatable. I will give another example. In my view and in the view of many principals, maintenance is one of the areas in which the Department of Education has performed very poorly. Maintenance is a very large project. It is allocated en bloc by the Department of Education. There is strong interaction between new infrastructure, new builds and maintenance. If something is not maintained very well, it will wear out and have to be rebuilt. Indeed, in our time in government, one of our objectives was to put together a number of primary and secondary schools and have contractors design, build and maintain them over, I think, a 20-year period. One of the reasons for that was to make sure that the designs internalised the responsibility for maintenance, so the design took that into consideration when it was first built. Therefore, there is a close relationship between maintenance and infrastructure.

Would the Premier, for instance, have Infrastructure WA look at the maintenance budget of the Department of Education—its scale, allocation, performance, targeting and design? I think that would be extremely important to do. I think we have improved our design of schools exceedingly well over the last few years, but for those of us who are dealing with older schools, the designs are exceedingly poor, and as a result maintenance is high and they require premature rebuilds. There is a strong relationship between maintenance and infrastructure. In fact, it is one of the crucial issues in infrastructure planning going forward. Going back to what the member asked previously, what is the crossover? What is the linkage here? There is a strong linkage, and maintenance is not necessarily only a recurrent item; it is also a capital item, because capital wears out. Is the Premier just going to leave it up to Infrastructure WA to talk to the community and the various departments to find out where the flashpoints and

problems are? That would be one way to do it. Is the Premier going to have his ministers highlight some areas that need special effort? That would be one way to do it. But the overlap is crucial to the performance of this group to see whether it is useful.

Mr M. McGOWAN: The intention is that the body will examine capital proposals. If there is a capital proposal mixed with a maintenance proposal, obviously, that would be one. Alternatively, the Premier and the government, as the member can see in that clause, can nominate proposals for the body to examine. These are the ways that they could be dealt with, but, largely, its main role will be to deal with capital. This is a definition issue. I am sure these discussions can be had when we get to the substantial part of the bill.

Mr D.T. REDMAN: On page 3 under “government trading enterprise”, there is a bunch of definitions for the various corporations, and, yes, they capture all those. I know that the Housing Authority, which is working through the Department of Communities now, is also a trading enterprise. I am pretty certain it does not come under “government trading enterprise”, but is it captured under the definitions of authorities that can be picked up by Infrastructure Western Australia?

Mr M. McGowan: Yes.

Mr W.R. MARMION: Exploring that last point, I was going to ask questions along the lines of the definition of \$100 million. The Department of Housing undertakes quite a lot of capital expenditure. Quite often the capital expenditure is not 100 per cent from the Department of Housing; it is a percentage. Quite often it is 49 per cent. There are special reasons that it comes in at 49 per cent. The definition of a “major infrastructure proposal” says that it has an estimated capital cost of \$100 million. Is \$100 million the project cost, or the amount that the government will put in?

Mr M. McGOWAN: It is the project cost.

Mr W.R. MARMION: Following from that, the minister also has the option to nominate a project to be defined as a major infrastructure project. If a project is nominated under that definition, is that request required in writing?

Debate interrupted, pursuant to standing orders.

[Continued on page 2608.]

SPRINGFIELD PRIMARY SCHOOL

Statement by Member for Hillarys

MR P.A. KATSAMBANIS (Hillarys) [12.50 pm]: On Friday, 29 March, I had the opportunity to attend an assembly at Springfield Primary School and present it with four new flags—the Australian flag, the Western Australian flag, the Aboriginal flag and the Torres Strait Islander flag. Springfield Primary School in Kallaroo is an outstanding and much-loved school in my electorate. It is ably led by its new principal, Vanessa Blythe, and has a sound reputation for delivering quality education, and cultural and pastoral care programs. At its core, the school’s purpose is to develop the academic, physical and moral skills and habits that will enable all students to achieve independence and responsibility. It also has a diverse and broad cross-section of different ethnic backgrounds. The school cohort has 67 students who were born overseas and 144 students whose parents were born in a different country.

Like other schools in my electorate, Springfield Primary School is long overdue new buildings and much-needed facility upgrades. Despite this, the staff and parents continue to operate with enthusiasm and drive in pursuit of educational excellence for their students. Our flags are important national symbols. They are symbols of our freedom, national pride and history. It is always a great honour that in my capacity as a member of Parliament I am able to present our national flags and speak about their meaning and heritage. I was proud to do so at Springfield Primary School in Kallaroo a few weeks ago.

CITY HOMELESS FRAMEWORK COMMITTEE

Statement by Member for Perth

MR J.N. CAREY (Perth — Parliamentary Secretary) [12.52 pm]: I rise today to highlight the work of the city homeless framework committee. This working party is a first for addressing the critical issue of homelessness in our city. It came out of the 2017 Perth City Summit and the 2018 City of Perth homeless sector review. The working group consists of providers for the homeless, government and the City of Perth, with the City of Perth deputy chair, commissioner Gaye McMath, and I as co-chairs. Its key focus is to drive a more coordinated approach to homelessness in the city, to reduce the duplication of existing services and to identify gaps of need.

The simple reality is that we face too many different services run by different organisations that overlay each other. Too many food-giving groups are popping up that are untrained and not focused on assisting homeless people into wraparound services and transition housing. This is a difficult conversation to be had, but it is needed. A draft plan has been created that complements the WA Alliance to End Homelessness strategy and the state government’s 10-year strategy. We are now focused on these key actions: creating an accreditation system for the unsolicited distribution of goods, extending existing drop-in services to cover the existing services already in play, and championing a 24/7 service to provide a safe night-time space.

CHECKMATE — MEN'S HEALTH*Statement by Member for Moore*

MR R.S. LOVE (Moore) [12.53 pm]: I rise today to speak about the CheckMate Men's Health Initiative in Mingenew and acknowledge the dedicated efforts of the Mingenew community in addressing the issue of mental health in the local region. Following a spate of suicides in the local area, Ella Budrikis from the Shire of Mingenew and Candice Lupton from the Mingenew community resource centre got together to see what they could do to raise mental health awareness in their town. Knowing their audience, they had to write something that would relate to local menfolk at a grassroots level. The pair organised for the Tomorrow Man "Man Up" workshops to run in Mingenew, Perenjori and Three Springs as a means of starting conversations and then having informal meetings on an ongoing basis. The target audience locally is men in the 25 to 50 years age bracket. From here, they have organised the WA Primary Health Alliance to host mental health first aid courses in Mingenew, Coorow, Perenjori, Three Springs and Carnamah. These two-day courses help to pinpoint those in need, how to deal with someone who is suicidal and how to get help.

Ella and Candice have gone on to develop a Facebook page and a website, CheckMate Men's Health Initiative, which is soon to go live. Knowing that their local menfolk are different from their city counterparts, the aim of their work is to have a program template that can be rolled out in other rural communities. I commend Ella and Candice for their past and ongoing work in this mental health area and for recognising the problem in their rural community and getting on and finding a solution—the CheckMate Men's Health Initiative.

THE BALCATT A BUZZ*Statement by Member for Balcatta*

MR D.R. MICHAEL (Balcatta) [12.55 pm]: In January last year, a couple of local residents came to see me because they wanted to start an online community for Balcatta that would be a positive forum that local people could connect with to showcase our fantastic and diverse area. Today, The Balcatta Buzz is just shy of 2 500 members, and I am pleased to say that I have been there since the start.

The Balcatta Buzz fosters great community sentiment and is translating that online success to real-world events. Just a couple of weeks ago, I got to learn how to use a proper sauce machine to make tomato sauce at the Flavours of Balcatta event, in conjunction with the Stirling Saints Football Club. Many locals joined in the fun and showcased their culinary heritage. Next Saturday, I will be pleased to join in on the second Balcatta Buzz Easter egg hunt at Takari Primary School.

Thank you to Jeremy Shirazee, Todd di Rosso and Bella Ndayikeze for all the hard work that goes into the administration, moderation and organisation of this online group. I have seen some other online groups that stoke fear and division and are a haven for online trolls. Nothing could be further from that when it comes to The Balcatta Buzz, which promotes local businesses, schools, events and groups, making Balcatta a more vibrant and inclusive place to live. The Balcatta Buzz is a real asset for our community and I congratulate all those involved.

DOUBLEVIEW PRIMARY SCHOOL*Statement by Member for Scarborough*

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [12.56 pm]: I was thrilled on Tuesday this week to finally—after 14 months—attend the opening of Doubleview Primary School in my electorate. I was joined by Hon Donna Faragher, MLC; school principal Greg Fisher; deputy principal Suzanne Clanton; and Nicole Tolev. I would like to put on the record my appreciation of Mrs Hillary Abadi, who is the music teacher at the school, and the vocal soloists: Lucie Ollier, Bo Cornelius, Leila Cummings, Anaya Manning and Carys Edwards. They maintained their composure under the significant stress of the technical failings of the backup music and performed admirably in front of a very distinguished audience.

My thanks go to board member Michelle Palethorpe; P&C vice-president Paul Clement; the Mayor of the City of Stirling, Mark Irwin; and people associated with the project, including artist Peter Zappa and architects Linley McKinley and Tony D'Andrea. I would also like to place on the record my appreciation and thanks to Hon Michael Mischin in the other place, who has for the past 14 months relentlessly pursued the Minister for Education and Training, Hon Sue Ellery, to find the time to come to the official opening of the primary school. It was a great event and we have been looking forward to it for a long time. The community is very appreciative of this state-of-the-art educational facility.

KAREN MERRIN — TRIBUTE*Statement by Member for Mirrabooka*

MS J.M. FREEMAN (Mirrabooka) [12.57 pm]: I rise to pay tribute to the life of Karen Merrin and inform the Parliament of the death of a community champion who fought for people's quality of life. Some people say that

one should not talk about cancer as a battle, but Karen Merrin treated cancer in the same way she treated so many injustices: she fought it with determination and a view to success. In her own way she was victorious, as she continued working and contributing right up until she passed peacefully away on 18 March 2019.

I first met Karen in 1994 when she started working at the Welfare Rights and Advocacy Service. As was said at her well-attended funeral service, she was a ubiquitous community leader whose reputation as an outspoken and passionate advocate for people's wellbeing went before her. As well as her devotion to her children Paul and Matthew, and grandchildren Charvel, Nicholas and Jaxon, for me Karen's outstanding achievement was her role in growing the Northern Suburbs Community Legal Centre in Mirrabooka into a thriving centre that assists thousands in our community, delivering three centres in Mirrabooka, Joondalup and the north east corridor that employ more than 20 staff and provide a broad range of community legal services.

Having chaired the Community Legal Centres Association WA from 2005 to 2014, she was also an integral contributor to other people-centred organisations such as Tenancy WA, the Employment Law Centre of WA, the Women's Law Centre, the Eastern Goldfields Community Centre, the first WA older persons' rights service, the older people's peer education scheme, Purple Road and the Joondalup partnership.

Sitting suspended from 1.00 to 2.00 pm

VISITORS — CANNING VALE PRIMARY SCHOOL

Statement by Speaker

THE SPEAKER (Mr P.B. Watson) [2.00 pm]: Members, I would like to welcome students from Canning Vale Primary School to the Speaker's gallery this afternoon. Its principal is Mr Daniel Bergin, and the students are the leadership group. We welcome them. Also in the Speaker's gallery today are my wife and my stepdaughter, who are going to give a critique on my behaviour in the chair today.

Dr M.D. Nahan: You're in trouble.

The SPEAKER: I am in trouble.

SUPPLEMENTARY QUESTIONS

Statement by Speaker

THE SPEAKER (Mr P.B. Watson) [2.01 pm]: I wish to provide some guidance on the use of supplementary questions. Members should be aware that there are no formal standing orders about supplementary questions, so the asking of those questions is at the discretion of the Speaker. As such, it is for me to determine whether a supplementary question is in order. There have been a range of rulings in the past about the practice surrounding supplementary questions, which were first trialled in this chamber in 1995. I am mindful of the previous rulings, which were quite restrictive compared with the current practice, which I am keen to maintain.

In exercising my discretion, I am guided by the following principles. A supplementary question may be used by a member to seek further information or to clarify a matter raised in the member's original question, or in the answer given by the minister. The supplementary question must be short and precise and closely related to the original question or the answer. I am prepared to give some latitude in allowing supplementary questions to have a very brief preamble, but only in order to render the question intelligible. Finally, I note that ministers should ensure their responses to supplementary questions are succinct and relevant.

QUESTIONS WITHOUT NOTICE

HOUSING — FEDERAL LABOR POLICY

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

With the Speaker's indulgence, I would like to acknowledge the year 8 students from Perth Modern School who are present in the public gallery. Although the school is located in the electorate of the member for Nedlands, the students are from all our electorates.

I refer to analysis commissioned by the Master Builders Association showing that Bill Shorten's housing policy will have a significant negative impact on Western Australia's economy, including up to \$858 million in lost building activity, 2 500 fewer homes built, and 2 000 fewer jobs created over five years. Given that more than 100 000 Western Australians working in the construction industry are already struggling under the McGowan government's policies, why is the government planning to make their lives even harder by supporting federal Labor's policies?

Mr M. McGOWAN replied:

I will start by saying that Australia needs a change of government. We have had three Prime Ministers over the past six years. We have had numerous changes of ministers.

Several members interjected.

The SPEAKER: Members! A question was asked and the Premier is trying to give an answer. Let the Premier have his say.

Mr M. McGOWAN: Only four ministers in the current federal cabinet were there when the federal government was elected. Day in, day out, Malcolm Turnbull is attacking federal ministers, including Peter Dutton. We have chaos and a shambolic government Australia-wide. It is time for a change of government. One thing I will say about Bill Shorten that cannot be said about the federal government is that Bill Shorten and federal Labor are prepared to explain how they are going to pay for their commitments. I do not find credible the analysis that the Leader of the Opposition is quoting, although I have not seen it. Any changes that are proposed to be made to negative gearing will be grandfathered and will apply only to existing properties. It means that those people who buy an existing property in the future will not be able to negatively gear it. People who build a new property will be able to negatively gear it. Where is the incentive? The incentive is to build. I know that a lot of scaremongering is going on. There will be a massive amount of scaremongering in the course of the next six weeks from the Liberal and National Parties, but people need to see it for what it is—it is scaremongering.

HOUSING — FEDERAL LABOR POLICY

291. **Dr M.D. NAHAN to the Premier:**

I have a supplementary question. Given that the latest data shows building approvals in Western Australia have dropped by a further 15.5 per cent over the past 12 months, why will the Premier not stand up for Western Australians and immediately call on Bill Shorten to abandon his policies?

Mr M. McGOWAN replied:

I explained in my first answer that the main thing we need in Western Australia is a government committed to creating jobs, and that is what we have. Since this government has been in office, 36 000 jobs have been created. That is greater than the population of Kalgoorlie–Boulder. We have created that many jobs. Projects are being announced all over Western Australia every day. We heard the great cooperative research centre announcement yesterday that the Minister for Mines and Petroleum and I worked on. We have secured more than \$100 million worth of funding or in-kind support for that. The LNG futures facility was announced by me and the chief executive officer of Chevron last week. Fortescue Metals Group showed its support for Western Australia with the Iron Bridge announcement last week. A fortnight ago, I turned the first sod on Albemarle's lithium project. When I was in Washington, I met with representatives from that company to clear away any of the approval issues, to ensure that those jobs would go to the people of the south west, in Collie, Bunbury and Murray–Wellington. Day in, day out, we see a state government that is committed to getting on with the job. What do we see nationally? We see a shambolic federal government. A government cannot change out three Prime Ministers in the course of six years and expect to be re-elected.

METRONET PROJECTS

292. **Ms S.E. WINTON to the Minister for Transport:**

I refer to the McGowan Labor government's delivery of Metronet, which will create thousands of jobs and bust congestion in the northern suburbs and across Perth.

- (1) Can the minister update the house on the progress of these projects, including the contract for the Yanchep extension and the first stage of the Morley–Ellenbrook line?
- (2) Can the minister advise the house what support she has received for these projects from the federal member for Pearce, Christian Porter?

Ms R. SAFFIOTI replied:

I thank the member for the question.

- (1)–(2) This week we announced that two construction consortiums have proceeded to the next stage of the tender process to build the Metronet Thornlie–Cockburn Link and the Yanchep rail extension projects. METROconnex and NEWest Alliance will be proceeding. These projects will create thousands of jobs. We are also seeing a stimulation of housing activity next to proposed stations, bringing certainty to the housing market, compared with the actions of the member for Scarborough, who has been undermining certainty in the housing market. Which party has been committed to the Ellenbrook rail line from day one? WA Labor. In the battle for Pearce is Christian Porter. Members might remember him. He was the state Treasurer who stood side-by-side with Mr Colin Barnett when he broke the promise to deliver the Ellenbrook rail line. He did not commit one cent to that Ellenbrook train line, not one cent, and now he is going around questioning everyone else's commitment. We all know that federal Labor has committed \$850 million to that project. Do we know what Mr Porter is saying? He is saying that we should not be getting that much. He wants to reduce the amount of funding for the Ellenbrook rail line, and he wants to undermine the confidence in the Ellenbrook rail line. Everyone knows that only federal Labor and WA Labor will deliver this rail line.

ECONOMIC REGULATION AUTHORITY REPORT — ENERGY SECTOR

293. Mr D.C. NALDER to the Premier:

I refer to the scathing report by the Economic Regulation Authority tabled today regarding this government's handling of the energy sector; I quote —

There appears to have been very limited progress, and market participants are poorly informed of the process, and as a result, new business may miss the opportunity to invest in the market, reducing business activity and limiting choice for consumers.

Will the Premier accept the findings of the ERA on the poor performance of his government or, like the Minister for Energy, will he attack the independent regulator?

Mr M. McGOWAN replied:

I am not informed about the report. I am unaware that any report has been tabled and I invite the member to ask any questions of the Minister for Energy.

ECONOMIC REGULATION AUTHORITY REPORT — ENERGY SECTOR

294. Mr D.C. NALDER to the Premier:

I have a supplementary question. Given the ERA has made adverse findings against the Premier's government, will he take responsibility and acknowledge the findings of the ERA?

Mr M. McGOWAN replied:

I am aware of an ERA report.

Mr D.C. Nalder: You just said you weren't.

Mr S.K. L'Estrange: You've changed your mind. "I don't know about an ERA report; now I do."

The SPEAKER: Members! Yes, well now I will call you to order for the first time. I am standing on my feet.

Several members interjected.

The SPEAKER: Members!

Mr M. McGOWAN: To repeat what I said: I am aware of "an" ERA report.

Several members interjected.

Mr M. McGOWAN: The thing about the English language is that the opposition does not really understand it.

I am aware of an ERA report of 2015, my friend. Be careful with leading questions. I am aware of a 2014 ERA report to the minister on the effectiveness of the electricity generation and retail corporation —

Several members interjected.

Mr M. McGOWAN: It is interesting to hear this. This is the 2014 "Report to the Minister on the Effectiveness of the Electricity Generation and Retail Corporation Regulatory Scheme" by the ERA. The then Minister for Energy—who was it?—was the current Leader of the Opposition.

Mr P.C. Tinley: What did he say?

Mr M. McGOWAN: What did he say?

Tabling of Paper

Mr D.T. REDMAN: The Premier is clearly reading from what looks from here like an official document, and I ask that you tell him to table it please.

Several members interjected.

Mr M. McGOWAN: It is *Hansard*. Again, the Nationals WA are probably unaware of what that is. It is a report of parliamentary proceedings, which I am happy to give to the member at the end of my contribution.

Mr D.C. Nalder interjected.

The SPEAKER: Member for Bateman, I will make a decision. You are not the Speaker. I know you would like to be, but you are not.

Questions without Notice Resumed

Mr M. McGOWAN: I am aware of an ERA report. I note that the opposition now seems to think the ERA can never be criticised or have any comments made about it. The then Minister for Energy, the now Leader of the Opposition, the member for Riverton, said this in Parliament about the ERA —

The ERA's report is an embarrassment on the part of the ERA; ...

Now the opposition spokesperson, probably in a deliberate attempt to undermine the Leader of the Opposition, has come in here and asked this question because he knew I had this piece of *Hansard* and this provides me with another opportunity to point out the deficiencies of the Leader of the Opposition. It was a cunning plan by the member for Bateman—a cunning plan.

Tabling of Paper

The SPEAKER: Excuse me, Premier, can you table that paper, please.

Mr M. McGowan: The *Hansard*?

The SPEAKER: Yes, I know—but you said you would.

[See paper 2372.]

MENTAL HEALTH SERVICES

295. Mrs L.M. O'MALLEY to the Minister for Health:

I refer to the McGowan Labor government's \$22.2 million funding boost for an increase in mental health beds and improved services, including a new mental health unit at Fremantle Hospital. Can the minister update the house on how this funding will support those with a mental illness and deliver on this government's commitment to putting patients first?

Mr R.H. COOK replied:

Before answering this question, I acknowledge the representatives of the Women's Cancer Foundation whom I have just had to lunch. It was a very good opportunity to catch up on issues around ovarian cancer.

I thank the member for Bicton for the question. It was delightful this morning to be out there making an announcement near the member for Bicton's electorate, of course, with the member for Fremantle and Josh Wilson, the federal Labor member for Fremantle—we wish him all the very best in the coming election. It was great to be in that electorate to announce a \$22.2 million funding boost for more mental health beds and support for people suffering from mental health conditions. The main allocation was \$15.6 million as part of the 2019–20 state budget to open a second 20-bed secure mental health unit at Fremantle Hospital. This represents a significant increase in the capacity of our acute mental health services, because we know that when patients are in our emergency department suffering from an acute mental health episode, the best thing for them is to get into a long-term mental health bed so they can get onto their journey of recovery.

This funding will boost the number of beds in the Fremantle Hospital precinct, and add to the current 48 acute adult inpatient mental health beds and 16 inpatient beds at the Fremantle Hospital campus for older adults with a mental illness. We are building upon the capacity of that hospital, which is a really important thing to be doing. We want patients to be cared for in their communities, surrounded by their loved ones and where their support networks are. This announcement comes on top of a \$3 million commitment to begin comprehensive planning to decommission the Graylands Hospital site, with a view to reconfiguring mental health services to reflect a contemporary and more appropriate model of care. This will come with some challenges. I have noticed already that because of the stigmatisation of mental health, we have heard some negative commentary around the idea that we should have more acute mental health beds in the Fremantle area. However, it is important that people understand and move beyond ignorance, by saying that this is about making sure we have mental health services in our community because mental health is everyone's business. This is a really important opportunity to begin the decommissioning process of mental health beds at Graylands Hospital, which is now a very old facility that has a very outdated model of care.

In addition, we announced \$3.6 million to meet a very important McGowan government election commitment—the development of recovery colleges. I want people to understand the importance of recovery colleges. Essentially, they use an educational approach to support an individual's recovery from mental health, alcohol and other drug issues. This builds upon a model in the United Kingdom where there have been extraordinarily positive responses. It is about giving people greater insight into their mental health issues and providing them with the skills and support they need to continue on their recovery pathway and to enable them to go on and live happy, healthy lives. They are really important announcements—\$22.2 million—and confirm the McGowan government's commitment to investing in mental health and Fremantle Hospital.

MINISTERIAL EXPERT PANEL ON VOLUNTARY ASSISTED DYING — REGIONAL CONSULTATION

296. Mr R.S. LOVE to the Minister for Health:

I refer to public consultations by the Ministerial Expert Panel on Voluntary Assisted Dying and the minister's statement this morning, "We are committed to hearing from the regions."

- (1) Given that I have to attend a panel session in Joondalup tomorrow because none is being held in my electorate, can the minister assure regional Western Australians that his government is serious about community consultation when the expert panel is holding sessions in only five of the state's nine regions?

- (2) Given only three of 13 panel members fronted the hearing in Geraldton on Monday, will he direct the panel to visit at least each region outside Perth?

Mr R.H. COOK replied:

- (1)–(2) I will refer back to the ministerial statement from earlier this morning. I can confirm that regional consultations have commenced in Kalgoorlie, Geraldton, Broome, Bunbury and Mandurah, for those who consider Mandurah to be a regional area. Consultation is occurring in regional areas. It is important that we take the opportunity to consult as widely as possible. I accept the premise of the member's question. That is why I am in discussions with the Leader of the Nationals WA. We have talked about using the community resource centre network as a way of holding consultations throughout not only the member's electorate but also a number of areas, so that people in regional Western Australia have the opportunity to participate in this really important debate. I commend the member for the question. He was not to know that I had been having discussions with the Leader of the Nationals on this. We are working on how we can augment that consultation process to ensure that everyone will have the opportunity to be involved, even if, by necessity, it is by virtual consultation.

MINISTERIAL EXPERT PANEL ON VOLUNTARY ASSISTED DYING — REGIONAL CONSULTATION

297. Mr R.S. LOVE to the Minister for Health:

I have a supplementary question. I acknowledge the minister's assertion that he has been working with the Leader of the Nationals WA on using the community resource centre network. Will the minister firmly commit to using that network as part of the consultation process, and will he at least have the panel visit those other regions, such as the Pilbara, Gascoyne and great southern, that have been neglected thus far?

Mr R.H. COOK replied:

No, I cannot give a commitment about those other areas. The panel has been undertaking widespread consultation and will do consultation as it can. For instance, I know that we did not plan to have a consultation session in Mandurah, and I was approached by the members for Murray–Wellington and Mandurah to have one down there. I am pleased we were able to extend it there at least. I am sorry; the member for Dawesville wrote to me about that as well. We will commit to consulting as widely as possible. That includes making sure that we utilise the CRC network to make that happen.

REGIONAL AIRFARES

298. Mr K.J.J. MICHEL to the Minister for Tourism:

I refer to the McGowan Labor government's record of making flights to our regional tourism destinations more affordable. Can the minister update the house on how securing cheaper airfares to Exmouth delivers on this government's commitment of attracting more visitors to WA, thus supporting regional tourism businesses and creating more jobs?

Mr P. PAPALIA replied:

I thank the member for the question, which he was given short notice of. I am very pleased to respond to his question regarding affordable flights to Exmouth, the announcement of which was made only this morning. It comes hot on the heels of confirmation, only a little over a week ago, in the international visitor statistics data from Tourism Research Australia that Western Australia is leading the nation in the growth of international holiday-makers. Western Australia has had double the national average growth in the number of international holiday-makers. More international holiday-makers are coming to Western Australia than ever before.

Ms L. Mettam interjected.

The SPEAKER: Member for Vasse!

Mr P. PAPALIA: There has been magnificent growth. I know the opposition would prefer bad news. I know members opposite do not like tourism. They talk it down at every opportunity.

Mr A. Krsticevic: Rubbish! Rubbish!

Mr P. PAPALIA: But this is the case: Western Australia is leading the nation.

Mr A. Krsticevic: Rubbish! Tell the truth.

The SPEAKER: Member for Carine, I heard you the first, second and third time about the rubbish, but I will call you to order only once.

Mr P. PAPALIA: The interstate numbers will be coming soon. I am sure they will be excellent as well. Interstate holiday-makers are learning how wonderful Western Australia is, now that there is a new government in town.

The announcement this morning was about a partnership with Qantas, which follows another great initiative in which we partnered with Qantas—the Broome affordable flight initiative. That 12-month trial began in August

last year with a view to demonstrating to Qantas and other airlines that this is a market that is not being met. That is working incredibly well. Nineteen thousand tickets have been sold. There is an 80 per cent loading on those flights. We have had confirmation from Qantas that its leisure market has grown by 18 per cent over the duration of the trial to date. Qantas is very supportive of it; it thinks it is an incredibly valuable contribution. That has enabled Qantas to look at the Exmouth request from this government. There was nothing in eight and a half years from the National Party and the Liberal Party, other than them watching as regional airfares soared beyond the reach of normal people. They took no action at all. We have done nothing but take action ever since we took office. We are now able to say to people in Perth that they can get a \$169 one-way ticket, and there is \$180 off the return airfare for weekend flights, Friday to Monday, to Exmouth.

Dr A.D. Buti interjected.

The SPEAKER: Member for Armadale!

Mr P. PAPALIA: There are two World Heritage sites there, the Ningaloo Reef, Monkey Mia and Shell Beach. There is a magnificent opportunity to swim with turtles, manta rays and whale sharks. In August, people can swim with whales, as the Premier and I did. It is a unique opportunity right on our doorstep, and it is now affordable for Western Australians and international and interstate visitors. Coincidentally, it provides locals with the opportunity to get an easier way down to Perth and back. We also announced, and brought to the attention of the public, that, for the first time, people will not be hit with a \$1 000 drop-off fee if they want to rent a car in Perth, drop it off in Exmouth and then fly back to Perth. They now will not be hit with an additional \$1 000, above and beyond the rental fee. We have done a deal with Avis. That fee has now been reduced to \$250, or \$150 if people are going the other way. It is an incredible opportunity for the coral coast. What have we done for the coral coast? Who is the member there? What did he ever do in eight and a half years in government? We have taken Chris Hemsworth and Matt Damon to his electorate! We have affordable flights to Monkey Mia, Carnarvon and Exmouth. We have done more for that electorate than has ever been done by any government in the history of Western Australia, whilst that member opposite snoozed down here in Perth! It is extraordinary that they would even contemplate calling him the local member. We are doing what the Liberals and Nationals never did. People can get affordable flights to Albany, Esperance, Monkey Mia, Carnarvon, Exmouth and Broome. This is another great initiative. We are looking to help other places all over the state.

SMALL BUSINESS — HOUSING INDUSTRY

299. **Ms L. METTAM to the Minister for Small Business:**

I refer to the tens of thousands of small business owners in the housing and construction industry who are struggling, including mortgage brokers, sales representatives, bricklayers, electricians, plumbers and carpenters. Can the minister please explain to the house which of the following policies the government has put in place to support the housing industry: is it the removal of the boost to the first home owner grant, the new foreign buyers surcharge or the 40 per cent increase to electricity prices for 20 000 small businesses?

Mr P. PAPALIA replied:

I thank the member for her repetitive question. I repeat: the thing we will not be doing, so that we help small businesses across the state, particularly in the construction sector, is to put up land tax three times in a row. That is your record!

Several members interjected.

The SPEAKER: Members!

Mr P. PAPALIA: That is the record of the man sitting in the front row there. The Leader of the Opposition was responsible for three repeated increases in land tax, which smashed the construction industry and small businesses across the state. Those costs were all passed on by landlords to small businesses in just about every field of endeavour.

Several members interjected.

The SPEAKER: Member for Carine!

Mr P. PAPALIA: It is extraordinary that the member has the gall to stand in this place and talk about small business. It is ridiculous! We are doing things for small business. There is a lot going on. Yesterday, I referred to the biggest amendment to the liquor act since the last time the Labor Party was in office and did the biggest amendment to the liquor act, which enabled small bars. We did that last time. Thousands of small businesses across the state are benefiting from that change. We are about to address the bane of subcontractors across Western Australia, particularly in the field of government contracts. We have created the subcontractor support unit. We will be empowering the Small Business Commissioner to enforce payments to subcontractors in government contracts—I look forward to the support from you on that one! The Minister for Commerce informed me only about an hour ago that he is working flat out on legislation to enable cascading trusts to protect subcontractors right across the state. We are doing more than you ever dreamt of doing. What we will not be doing is to put up land tax three times.

SMALL BUSINESS — HOUSING INDUSTRY

300. Ms L. METTAM to the Minister for Small Business:

I have a supplementary question. Given the significant impact the government's policies have had on small business in the construction industry in Western Australia, why does the minister continue to support Bill Shorten and his job-destroying negative gearing and capital gains tax policies when all the evidence shows that they will have an even greater negative impact on Western Australia's small businesses?

Mr P. PAPALIA replied:

I cannot believe the member asked that supplementary question, having listened to the Premier explain that the proposed changes to negative gearing apply to existing buildings, not to new construction. Any claim that it is somehow going to have a negative impact on construction—new housing and builders who build buildings—is just ridiculous. It is exactly the opposite. I understand there are some lobbyists right across the nation, with vested interests, who believe it is in their interest to campaign for a failed federal government —

Ms L. Mettam interjected.

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

Mr P. PAPALIA: — that has had three Prime Ministers in six years. I understand that is out there. I understand there are all manner of —

Mr A. Krsticevic interjected.

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

Mr P. PAPALIA: — ridiculous commissioned reports making stupid claims about the impact of that policy.

Mr A. Krsticevic interjected.

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

Mr P. PAPALIA: But of all the potential claimed impacts, to claim that one is just plain silly.

FRINGE WORLD FESTIVAL AND PERTH FESTIVAL

301. Mr J.N. CAREY to the Minister for Culture and the Arts:

My question is to the minister for culture and dramatic arts—I mean arts! I refer to the state government's commitment to supporting our creative industries and creating jobs in WA's culture and arts sector. Can the minister outline to the house how the government's support for both the Perth Festival and Fringe World Festival has delivered social and economic benefits to the people of Perth and Western Australia?

Mr D.A. TEMPLEMAN replied:

Before I answer this very good question, can I acknowledge on behalf of the member for Bassendean the members of the Lockridge Primary School P&C, who are in the public gallery today. Hello there; it is wonderful to have you here!

I thank the member for Perth for his very important question. We have just had festival season. Some of us have binged on Fringe and we have done lots of things to acknowledge that the festival season is again a very successful part of our culture and arts life here in Perth. It has highlighted the great cultural and creative industry work in Western Australia. The figures have come in for Fringe World Festival and have again broken records. Over 400 000 people attended ticketed events, with \$11.5 million in box office sales. At the Perth Festival, 450 000-plus people attended more than 300 free and ticketed events. A big highlight for those who went and saw it, as members would be aware, was the Boorna Waanginy: The Trees Speak experience, with 230 000 people going to Kings Park over a three-night period to attend the experience, which highlighted the tremendously rich Noongar story and connection to land. We have also had magnificent responses to surveys from audiences.

Both the Perth Festival and the Fringe World Festival are very, very important parts of our cultural calendar, but I have to report that there were some flops. The Leader of the Opposition had his magic trick show in which he made \$40 billion disappear! There was not a great audience reaction. He was canned there. Hon Nick Goiran, from the other place, was tucked into a little spiegel tent doing a monologue that went on for the whole period of the festival! It got poor reviews, poor audiences and poor responses. I do not think he will be asked back again, poor old Hon Nick Goiran! I do not think he will be there. I know the member for Scarborough has been dying to reprise her Daft Punk's *One More Time* performance! I know she has, and I am on her side. I have been putting it to the new festival director that that could be a big hit down there at Elizabeth Quay in the Noodle Palace. I am on her side. Get rehearsing! The member for Cottesloe could do his Skyhooks *Living' in the 70's* performance.

The SPEAKER: Minister!

Mr D.A. TEMPLEMAN: He has got a chance. I love the deadpan face over there!

The SPEAKER: Minister! Through the Chair, and get to the answer.

Mr D.A. TEMPLEMAN: Of course! Let us be serious now. The festival events are great; they are excellent. The Perth Festival brings world-class performances to Perth. The Fringe World Festival allows a whole range of our creatives to showcase their talent. Congratulations to all of the organisers involved in those key festival events. They will continue to demonstrate and deliver high-quality culture and arts entertainment. Let us hope that we see some interesting acts in the 2020 season.

WA COUNTRY HEALTH SERVICE — KERRY LODGE AND LECHENAULTIA HOUSE

302. Mr P.J. RUNDLE to the Minister for Health:

I refer to the closing of aged and palliative care beds at WA Country Health Service-run facilities, Kerry Lodge in Katanning and Lechenaultia House in Kojonup.

- (1) Can the minister confirm that up to eight beds across the two facilities have now been closed, essentially denying the most vulnerable members of those communities access to care and the homes that they need?
- (2) Is this a simple issue of a state government funding shortfall, or does the state government have a policy of using non-government organisations as preferred suppliers of these services?

Mr R.H. COOK replied:

- (1)–(2) I thank the member for the question and his advocacy around this issue for some weeks now. I appreciate this is an area that he feels very passionate about. As the member would be aware, aged-care services are supposed to be the domain of the commonwealth government and it is supposed to manage these things. Unfortunately, it is a fact of life, not only with GP services but aged care, that anything west of Geelong struggles in terms of market failure. We do not have the coverage from the private sector that we would like. Disability services will experience this as we rely upon the National Disability Insurance Scheme to get into rural and regional communities, where, quite frankly, there is not a disability service provider market. Ultimately, we have this phenomenon by which the state government becomes the provider of last resort. Aged care is a great example of that.

Lechenaultia House is a six-bed facility. The commonwealth currently funds three beds for aged-care services. At the moment we are working with WACHS to get those final three beds funded by the commonwealth to get licences for aged-care beds at that facility. We are confident that will happen. However, we are not confident that they will come on at the speed with which we would like. Mr Speaker would have heard Minister Wyatt—not our great minister, but the federal one —

Mr B.S. Wyatt: The Blackshirt!

Mr R.H. COOK: The Blackshirt!

Hon Ken Wyatt made a commitment, following an agreement with the state government, for transition care places that will allow us to have some temporary funding for these beds. We will be looking for care-awaiting-placement funding, which we are looking to leverage into Lechenaultia House so we can bring it back up to its full capacity of six beds.

I think the member raises a good point. Western Australia continues to struggle with aged-care funding, whereas other states benefit from significant amounts of aged-care funding. In Western Australia, we have just over six aged-care beds per thousand people, compared with the national average of over eight aged-care beds per thousand people. Western Australia continues to struggle to get its fair share for health care, whether it is in aged care, pharmaceutical benefits or the Medicare benefits schedule. We must all be vigilant as we wait to see the rollout of the NDIS, because that, too, may be an area of concern. Because of our geography and widely dispersed population in Western Australia, I think that a commonwealth program that relies upon a private market to provide these services is quite simply going to fail people in our rural and regional communities.

Ms L. Mettam interjected.

The SPEAKER: Member for Vasse, someone from your side is about to get to their feet and you are asking your own questions. Do you want to ask a question instead of the member, or what? I call you to order for the second time.

WA COUNTRY HEALTH SERVICE — KERRY LODGE AND LECHENAULTIA HOUSE

303. Mr P.J. RUNDLE to the Minister for Health:

I have a supplementary question. Can the minister outline what, if any, intention he has to sustain, decrease or expand WA government-funded aged and palliative care beds in regional Western Australia, especially in light of his forthcoming voluntary assisted dying legislation?

Mr R.H. COOK replied:

I thank the member for the question. As I have signalled in this place before, the palliative care strategy was launched towards the end of last year and we are looking to bring that strategy to life with better palliative care

services throughout Western Australia. I will be making some commentary about that in the future. We are looking to ensure that we have aged-care funding throughout Western Australia as people need it. We want people to age in the communities in which they have lived most of their lives, surrounded by families and support networks. That is one of the reasons why we are working hard on it. The member for Vasse asked, “Why did you sell out?” in relation to the National Disability Insurance Scheme. I assume she means why did we become part of the national scheme in which we now participate. There is a simple reason for that, member for Vasse, and it is called \$40 billion worth of debt. Quite frankly, we do not have the luxury of the former government to run the state’s finances into the ground. We do not have the capacity to simply throw money at any problem that comes along. We have to actually manage the state’s finances, something that the Liberal Party never did, and its members should spend all their time on the opposition benches reflecting on that.

FAMILY AND DOMESTIC VIOLENCE — PEEL REFUGE

304. Mr D.T. PUNCH to the Minister for Prevention of Family and Domestic Violence:

I refer to the McGowan Labor government’s commitment to provide more crisis accommodation for women and children escaping domestic violence. Can the minister update the house about the new therapeutic refuge for the Peel and advise how it will support women to get their lives back on track?

Ms S.F. McGURK replied:

It is important that people understand the extent of the work that is done in refuges around the state. I acknowledge that there is an increasing understanding in Australia, particularly in Western Australia, that we have a problem with domestic violence, and I think there is a commitment across all parties to do something about that. How do we intervene effectively for victims and survivors of domestic violence, who are often women with children? How do we intervene effectively and make sure that services are best placed to deal with the complex issues surrounding domestic violence? Sadly, many victims of domestic violence also experience mental health issues, drug and alcohol abuse, financial challenges and the like, and that is why in planning for the new refuge in Peel, we are looking to co-locate a number of services to make sure that the fundamentals are right in a therapeutic approach for people who need assistance at that refuge. We know that we have very good services around the state for mental health assistance, drug and alcohol abuse and the like, but we often struggle to co-locate them and make sure that we surround those vulnerable people when they need it and not expect them to traverse their way through different services because they do not. They do not make their way through those services but fall through the cracks and the cycle of disadvantage is repeated. We have consulted with the sector about the new refuge in Peel. We have looked at best practice around the country and the world and we are looking to ensure that from the very beginning, the therapeutic model has a number of integrated services for survivors of domestic violence. In that way, we will be much better placed to break the cycle of domestic violence and ensure that survivors and their children are able to move on, after having been provided with some safety by the refuge, to live happy, fulfilling and, importantly, safe lives.

SENIORS — COST-OF-LIVING INCREASES

305. Mrs L.M. HARVEY to the Minister for Seniors and Ageing:

I refer the minister to the massive cost-of-living increases imposed by his government.

Ms R. Saffioti interjected.

Mrs L.M. HARVEY: He was asleep. I wanted to wake him up.

Several members interjected.

The SPEAKER: Members, you will show respect for the minister. You might think he was sleeping, but he said he was reading. You will have respect —

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition, you might think it is funny, but I do not. He is a minister of the Crown and you will respect him. Member for Scarborough, ask your question again.

Mrs L.M. HARVEY: Thank you. Minister, I meant no disrespect.

Ms S.E. Winton interjected.

The SPEAKER: Member for Wanneroo, I call you to order for the first time. Member, start again.

Mrs L.M. HARVEY: I refer to the massive cost-of-living increases imposed by the government, including the more than 30 per cent increases in electricity bills imposed on struggling pensioners in one year alone. Why does the minister refuse to stand up for seniors in Western Australia when the government imposes such increases and when will he stand up to oppose Bill Shorten’s attack on those seniors who have tried to provide for themselves in retirement?

Mr M.P. MURRAY replied:

I thank the member for the question. I was a little distracted because it is the first question I have had about seniors this year. I was a bit shocked to say the least; in fact, I was very, very shocked.

Ms L. Mettam interjected.

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

Mr M.P. MURRAY: I can tell members one thing: our government takes seniors and the issue of elder abuse very, very seriously, unlike the federal government, which has provided no funds to address that issue at all. We also understand that some seniors out there are doing it tough and we have put programs in place to help them. We also had a seniors summit, if I can call it that, at which we called all the departments together to work out what we can do moving forward. We are doing further work to see what we can do in the budget—members will have to wait for that time will come—to help seniors in the future, unlike the former government, which left them behind.

SENIORS — COST-OF-LIVING INCREASES**306. Mrs L.M. HARVEY to the Minister for Seniors and Ageing:**

I have a supplementary question. What did the minister and his department do to help seniors when the government was proposing savage increases to electricity prices?

Mr M.P. MURRAY replied:

I think that is just a re-word of the first question. I reiterate what I said; we take the situation of seniors very, very seriously. There are seniors out there who need our help and, again, the federal government has not been forthcoming in areas such as aged care.

Mr P.C. Tinley: They don't care.

Mr M.P. MURRAY: Very much so. It provided 3 000 extra beds for aged care with a performance factor that was very difficult to maintain, and certainly there was not enough money to make people pick up those beds to give seniors some comfort in their later years when they need help. We need the opposition to go to the federal government to help us get more funding so that we can supply seniors with what they need.

The SPEAKER: That is the end of question time.

HOUSING — FEDERAL LABOR POLICY*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) [2.47 pm]: I move —

That this house notes the significant fall in house values, the 68.5 per cent increase in mortgage stress since the election of the McGowan government, and the potential impact on house and rental values if Bill Shorten is elected, and calls on the McGowan government to immediately indicate what it will do to support Western Australian households, including rejecting the policies of Bill Shorten and the federal Labor Party.

The Western Australian housing sector has been going through significant structural change and pain for a number of years. Over the last 10 years, the median house price in real terms has dropped in the vicinity of 25 to 30 per cent, the largest falls since records of this nature were kept. In the last four years, that rate of decline, if anything, has accelerated but at least it has been maintained. It has reached a level that is undermining the confidence, liveability, lifestyle and future of Western Australians. This state has a very high level of homeownership. Homeownership is one of the keystones of our economy and our society. We, as a society and as a government, promote homeownership significantly. Homeownership is in jeopardy and people's ability to maintain ownership of their home is under real stress and at crisis point. Experts say that the outlook will worsen and that if Bill Shorten is elected, it will accentuate that stress significantly. When the McGowan government came into office, house prices had been going through structural change and were on a downward decline since basically 2006–07. There were periods when prices went up in 2012–13, but overall it has been in long-term decline. The McGowan government in its first budget was very optimistic about the future of the economy and indeed the housing sector. The 2016–17 budget forecast that in 2018–19 dwelling investment would grow by five per cent. The government was optimistic about a whole range of aspects of the economy. It forecast that state final demand was going to grow by one per cent; dwelling investment, as I said, was going to grow by five per cent in 2018–19 and be positive over the term; and gross state product was going to grow by 3.25 per cent. It forecast population growth of 1.2 per cent, and that house prices and business investment were going to go up. The government forecast a substantial turnaround in the housing market. Based on those rosy expectations, it put in place policies that pulled down the sector. A whole raft of decisions were made, some of which I will read out. We have debated them many times here. Changes were made to the regional sponsored

migration scheme and the Western Australian skilled migration occupation list, which delimited the incentive and the ability of people to migrate to Western Australia and get jobs. This government scrapped the first home owner boost payment. Before the election, the then Barnett government proposed a boost for 12 months and the opposition supported it strongly. Then when it came into government, it withdrew the boost after six months. The Treasurer stated that the withdrawal would have no negative impact on the housing market. Then the government introduced the foreign buyers' duty surcharge, not at four per cent as promised before the election, but at seven per cent—the government jacked it up. It increased payroll tax and substantially increased the cost of living by \$700 for the average household, with an increase of \$500 still to come. The government faced a difficult economy by hitting households and home owners substantially through increasing charges, limiting demand and incentives, and reducing the capacity for people to pay their mortgage and buy a house. This contributed to a further decline in house prices. House prices have declined, not grown as predicted. In part, this was an over-rosy or blinkered approach to the problem. The government listened to its rhetoric and did not watch what was really going on in the economy. It is strange because most of the pain is in the electorates that its members represent.

I went back to a debate we had on similar issues on 22 August 2018. The Treasurer said —

By pretty much any measure whatsoever—economic data, confidence data—things are much better today than they were when we won government in March 2017. I cannot find any data that indicates that things are worse, and I have been looking ... I start with state final demand. In the March quarter of this year, annual average state final demand grew ...

It was revised and in every quarter for the last 12 months it has gone down, particularly in the housing sector. Every indicator in the housing sector—price and dwelling stock; you name it—has gone down, in large part because of the policies put in place by this government. Those indicators have gone down and are expected to get worse over the medium term. The expectations are that if Shorten's policies come in, it will become diabolical.

I will go through a bit of data that may be able to permeate the gloss that the government puts over things to avoid dealing with reality. Close to 142 000 households in Western Australia are under mortgage stress. That is an increase of 65.8 per cent—rounded to 66 per cent—in the number of households under mortgage stress under this government's watch.

Mr B.S. Wyatt: Where is that from?

Dr M.D. NAHAN: It is from Digital Finance Analytics.

That is a 66 per cent increase in households under mortgage stress. That figure is higher than any other state and substantially higher than the next closest state. More importantly—this is from the same source—the probability of default of mortgages over the next 12 months has increased by 12 600 households. This is a major increase in the number of houses suffering mortgage stress. Western Australia's top suburbs facing personal bankruptcies all recorded big increases. This is interesting: Baldivis recorded the highest number of personal bankruptcies nationwide at 105. I do not want to talk down the suburbs or the housing sector, but we have to deal with the reality of what we have in front of us. If we do not do that, we get into problems like we are experiencing now. When this government brought down the budget in 2007 and 2008, it believed that everything was going to be in recovery. I quoted the Treasurer's perception of the economy: "I cannot find any data". He was not looking for it. If a person does not look for the data, avoids the reality and puts in place policies based on that distorted reality, we get conditions like we have now.

In the run-up to this federal election, every survey is asking: what is the number one issue? The first issue by a large margin—60 per cent plus—is the cost of living. This is happening at a time when inflation and interest rates are exceedingly low, and house prices as we know are at the bottom in real terms. What is causing the cost-of-living increase? If we go down the list of what is impacting households, we find that popping up, right at the top of the list, is fees and charges—electricity and water—and other government-driven factors. This government shifted its fiscal problems onto households, and, as a result, people are struggling to not only buy a house, but also retain a house. This government has shifted its responsibility onto households and it is impacting significantly.

One of the factors that shocked me the most is this data on negative equity—again from Digital Finance Analytics. In a list of the top 15 postcodes in Australia facing negative equity, four of the top five are in Western Australia. These are first home buyers who have bought a house for the first time in Australia in these suburbs. Many of them were migrants during the boom. They are not the typical young family moving in but a mature family that has bought a house for the first time. In the areas of Gosnells, Huntingdale, Martin and Southern River, 98.6 per cent of people in this category, or 8 075 homes, have negative equity. In other words, the house is worth less than the mortgage. I repeat: 98.6 per cent of people who have bought a house for the first time in Western Australia in the suburbs of Gosnells, Huntingdale, Martin and Southern River, or 8 075 homes, have negative equity. What will happen if house prices go down further? In the top seven postcodes, 33 417 houses have negative equity.

Mr P.A. Katsambanis: That's a lot of pain.

Dr M.D. NAHAN: That is a lot of pain. They cannot sell their homes. If they do, they will walk away with giant debt.

Mr B.S. Wyatt interjected.

Dr M.D. NAHAN: The Treasurer thinks that things are getting better. Let me go through some of these suburbs. Kalgoorlie, Byford, Darling Range, Butler, Clarkson, Canning Vale and Banksia Grove will be very familiar to most of us, but most of those suburbs are represented by people in the Labor Party. Have we heard the people who are supposed to represent those electorates tell the Treasurer and the Premier that things are not going well in those suburbs?

What is the future outlook for house prices? We are now in the worst situation in living memory. Where are we going? What are the experts saying? The Premier is saying that it is the best time to buy a house. CoreLogic, a major forecaster and monitor of housing transactions—it does a lot of work—forecasts that for the next 12 months from 31 March 2019, house prices in Perth will go down by 17.69 per cent. It also forecasts that over the four years from 2018 to 2021, house prices will drop by 4.8 per cent and apartment prices will drop by 9.1 per cent. The forecast for apartment prices was down by 4.9 per cent in 2018. Worse than that, it forecasts that apartment prices in greater Perth—not the rural area—will be down by eight per cent. The lowest prices in 30 years have been forced on people through the high cost of living in a period of low inflation. There are high levels of negative equity and high levels of bankruptcy, with a forecast of further falls.

In those circumstances, what should a government do? It should look around and ask how it can at least take away some of the pain. But Bill Shorten has come up with a whole raft of policies that we heard the Premier say will not hurt this sector. We can debate negative gearing and capital gains tax, but now is the worst possible time to even discuss these changes, let alone put them in place. The Premier said that Shorten will allow negative gearing on new properties. That will not help anything because it is already there. He will take negative gearing off other properties and what will happen? It will reduce demand, and a reduction in demand will necessarily put further downward pressure on existing house prices. Why would he do that in a declining housing market and when house prices are so low that ordinary Western Australians, often encouraged by Western Australian governments to get into housing, are seeing their future destroyed?

We also have capital gains tax. Again, with this capital gains tax policy, Shorten is taking away the incentive to invest in and buy an existing property, which will cause a reduction in demand for properties. There will be a reduction in demand and downward pressure on prices at a time of record low prices. Why would he do that?

A royal commission has looked at, amongst other things, mortgage brokers. Over 50 per cent of loans to Western Australians are provided via mortgage brokers, although I would say that the largest provider is Keystart. Mortgage brokers provide a really important service as a go-between. They provide competition between the banks. Mortgage brokers can find loans from 24 different financial institutions and tailor them to people's needs. Shorten has decreed that a federal Labor government will fix the price for mortgage broker services at 1.1 per cent, with no trailing commissions. He is giving a helping hand to the banks. He is limiting their ability to compete with the banks. He will force mortgagees back to banks, so interest charges on mortgages will go up. It is a brain-dead policy at this time. Why? With the Labor Party, it is always "You're either with us or agin us"—and people have to be with it. These are policies that this state government will be responsible for, because the aftermath of these policies will be exceedingly detrimental to the Western Australian public. It is also a major risk for this government because, through Keystart, it is the largest lender, particularly in the new home buyer market. It picks up all that risk and it also insures, through the home indemnity insurance program, builders of new homes. If we get, as the International Monetary Fund warns, a further escalation of a downward trend in housing prices nationally, including in WA, this government will be in real strife. If one of the major builders fell over in this state, the government would be up for billions of dollars in liabilities. Keystart has done a brilliant job with the arrears and has ensured that payments are sustained. As we know, when first home buyers, particularly young couples, buy their dream, they will do anything to pay the mortgage. They will do whatever it takes—working two or three jobs, pulling their kids out of private school, dropping private insurance or turning off the electricity—to keep a roof over their heads. Even with that, they might fail to do so. Most of them have maybe two per cent equity in the house when they get a Keystart loan, so they have very little movement here.

Our position here is right. Thanks in part to this government, the housing market is in the worst shape imaginable. It underpins our economy and it underpins households. House prices are particularly bad in the suburbs that members opposite represent now, and things will get worse—and they will get severely worse if Shorten is elected and puts his policies in place.

MR D.C. NALDER (Bateman) [3.07 pm]: There are 141 200 homes in Western Australia under mortgage stress. I cannot say that I have seen a number like it. I talked about this a couple of months ago when the number went through 130 000. That is a 68.5 per cent increase in the last two years. There are 141 199 Western Australians under mortgage stress. I add to this, according to the last Roy Morgan report on negative equity in households, the 90 000 households in Western Australia with negative equity. That means that those people owe more on their mortgage than their house is worth. These are the two fundamental points that we wish to highlight to the government. We have said over and over again that the government does not understand the consequences of the policies it has implemented. We are highlighting to the government that its failure to acknowledge the impact of the policies it has been implementing over the last two years has been having an adverse impact on households in Western Australia. We are flagging that the same thing will occur with the policies that Bill Shorten wants to

implement. Bill Shorten has thought of these policies in a booming residential market on the east coast and he has not understood the circumstances in Western Australia. The government of Western Australia needs to do more to stand up for the people of Western Australia. There are 141 199 mortgagees under stress and 90 000 homes with negative equity.

We heard the Minister for Small Business over the last two days spruik how much the government is supposedly doing for small business. Guess what, Minister for Small Business? Small business owners use their home as equity to help fund their small business. If we have a growing situation of negative equity in homes across Western Australia, we can bet our bottom dollar that that is having an adverse impact on small businesses in Western Australia. Let us talk about the policy consequences. In Western Australia, 20 000 small businesses have faced an increase in their power bills of greater than 40 per cent over the past two years. This is at a time when they are struggling, and the equity in their homes is diminishing. As we heard from the Leader of the Opposition, research suggests that we will see further falls in house prices over the next 12 months. This will put further downward pressure on those small businesses that the minister is supposed to be supporting.

Mr P.C. Tinley: What about land tax?

Mr D.C. NALDER: It is fantastic to hear the Minister for Housing talk about land tax. He forgets that the government has actually owned the last two budgets, and what has he done about it?

Several members interjected.

The SPEAKER: Members, please, I want to hear this.

Mr D.C. NALDER: The minister is quite happy to criticise the former government about what it has done, but he has had two budgets to do something about it, and he has done nothing to support people out there. He is criticising us but he has done absolutely nothing. Yesterday we told the Treasurer that there were real concerns about our economy, and he wanted to talk to me privately later and give me an economics lecture. Let me reiterate some of the points that BankWest highlighted yesterday. The document reads —

Bankwest Chief Economist Alan Langford said approvals for the construction of new dwellings in WA have fallen 58 per cent since peaking in September 2014, meaning this was currently the longest and deepest downturn since monthly data was first published in the early 1980's.

Western Australia's State Final Demand (SFD) declined by 0.3% in the December quarter. In annual average terms SFD fell by 0.5% in 2018.

Business investment declined by 5.4% in the December quarter, and by 6.2% in annual average terms. Public investment increased by 3.9% in the December quarter, but fell by 6.5% in annual average terms.

Dwelling investment declined by 1.8% in the December quarter ...

So it goes on. This is more than just one economic key point that the government needs to take notice of, and it does not seem to be doing that. This government does not understand the consequences of its policy decisions. We are seeing Bill Shorten come out with policy decisions that will put downward pressure on housing prices. As I said, if small businesses in Western Australia rely on the equity in their homes to help fund their small businesses, we are putting that at risk. Where is the government? There are crickets—we are not hearing a thing.

I reiterate that the government does not understand the consequences of its own policy decisions. Let us take the job creation we were going to have. We already know from Treasury that it is forecasting that if the government does nothing we will see an increase of 200 000 jobs in Western Australia over the forward estimates. But the Premier says that the government's policies will deliver 150 000 jobs. The policies will have a negative impact of 50 000 jobs in Western Australia. We are seeing this sort of thing over and over again from this government. How much confidence can we have that the government's policies will have a positive impact on the economy? Not very much.

Reiterating what the Leader of the Opposition said, personal insolvencies reached a record in Western Australia of 4 020. Western Australia experienced a 12.9 per cent increase over the previous year. Bankruptcies have also increased by 10.6 per cent over the past 12 months. Reiterating the points made by the Leader of the Opposition, we talked about this negative equity, and we need to have a really close look at where this is. The Leader of the Opposition highlighted that 98.5 per cent of homes, or 8 075 homes, in the postcode of 6110—Gosnells, Huntingdale, Martin and Southern River—are facing negative equity. In the postcode of 6430, which is Kalgoorlie and surrounds, 96.43 per cent of homes are facing negative equity. In Butler and Jindalee the figure is 83.78 per cent. In Byford, Cardup, Darling Downs and Karrakup, the figure is 95.6 per cent. East coast-centric policies formed by the federal government, resulted in 46 per cent of the top 15 postcodes in Australia facing negative equity being in Western Australia. Four of the top five postcodes with negative equity are in Western Australia. We have a problem here, and we need a government that is focused on doing the right thing by this sector. Western Australians look at the net value they have in their properties as an indicator of their own personal wealth, and if we are approaching 100 000 homes with negative equity—we were at 90 000 as at October last year, according to Roy Morgan, which

was the last report it put out—it does not matter what policies are put in place, these people are not going to be able to help lift the economy out from these other economic indicators that we have just been talking about, because all that money will be absorbed into their mortgages. There will be great pressure on those mortgages to pay down debt.

By not standing up for the people of Western Australia, we leave ourselves exposed by saying nothing about Bill Shorten's policies. We call on this government to stand up to Bill Shorten and say that we need help in Western Australia. We do not have the same scenario as the rest of Australia. We have experienced a long and deep downturn in mortgage values in Western Australia, and we need this government to do something before it is too late. These reports continue to move downward, and we are really concerned about it, because if Bill Shorten is elected and implements these policies, the Premier can talk as much as he likes about these policies being grandfathered, but demand for housing will decline in established and built-up areas, which will impact all the mortgage holders in Western Australia at this point in time. He is ignoring the fact that that is occurring, and that he should be standing up for the people of Western Australia. It raises massive concerns about the government's willingness to take on the opposition's policies for the people of Western Australia. There has been a lot of silence from the government backbench.

I remind members opposite that the cost of living is the number one issue in this federal election, and the cost of living has been impacted by the increases in household charges implemented in the past two years, when there has been very little wages growth, and decreasing housing values, so people's net wealth is declining rapidly. They are the government's constituents. Members holding seats that Labor won in the last election need to take heed of this. I know the member for Baldvis and the Minister for Energy are having a look at why energy prices have increased suddenly in Baldvis. We know why that has happened. We know that single pensioner households have increased electricity by 30 per cent. All of these things have an adverse impact on people's net position, and that is why they are extremely concerned. They need to see this government stand up for them, and that is not occurring at this point in time.

MR M. McGOWAN (Rockingham — Premier) [3.18 pm]: Obviously, the government will not be supporting this motion. It very hypocritical—not unusual for the opposition—for members opposite to come in here to discuss these matters. I thought the Minister for Tourism did very well on a number of occasions during question time in recent days talking about the land tax increases under the previous government. There were three in a row. Who pays land tax? People who own an investment property or a commercial property around Western Australia pay land tax. The previous Liberal–National government managed to rack up extraordinary levels of debt and imposed massive tax increases on small businesses and owners of investment properties. Then members opposite come in here two years later and say to forget all that—forget the legacy that was left. Everything should be just sweet now, as though somehow what they did will all magically disappear. In the course of eight years they managed to rack up extraordinary levels of debt. The member for Bateman, no less, was talking about this issue. Members might recall that he wrote a column about the then government on 19 September 2016 —

We need a new direction. We need to show the community that we can restore confidence and lead the State through this period of uncertainty.

The task is made harder by the extraordinary level of State debt that will be part of the Premier's legacy.

Which Premier was he talking about? It was Premier Barnett—the Premier who led the government for eight and a half years! The member for Bateman wrote the column pointing out the Premier's own failures. The member put it in writing. It was brilliant, to be honest. It was very good analysis—the best analysis the member has ever come up with. The member actually pointed out all the failures of the Liberal government —

Dr M.D. Nahan: Can you acknowledge yours?

Mr M. McGOWAN: No, hold on.

At a time of record revenue, its members managed to rack up the greatest debt burden any state government has ever had per capita. They managed to do that at a time of record revenues. They managed to put up land tax three times on ordinary citizens. They managed to put up electricity and water prices by 90 per cent over the course of eight years. Then they come into the Parliament two years later and say that everything should be fixed now, as though there is a magic wand this government can wave. Everyone in Western Australia, everyone across Australia and everyone in the commonwealth government all know that this government was left with a shocking legacy, and that this government —

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr M. McGOWAN: —is going about the role of fixing the mess we were left. Everyone knows that.

Several members interjected.

The SPEAKER: Members! You get up, you put your story, and you attack the government. The government comes back with its answer, and members cannot take it. Just listen. Opposition members were heard in silence.

Mr M. McGOWAN: Everyone knows that our role is to fix the mess that we were left. It is not the best role. It is not my favourite. It is not the greatest time to become government, with a record debt legacy and a record deficit legacy. It is not the greatest time to become government. Think back to when opposition members came to government in 2008. It was the lowest debt on record and record surpluses. It was a great time to come to government. The opposition managed to turn that around over the course of eight years, despite record tax revenue and record fee increases, and it left us with \$40 billion of debt and record deficits. That is what the opposition did. It cannot just magic that away. I hear some people saying that that was two years ago and it should all be okay now, as though there is some magic solution to that. There is no magic solution. It takes hard work. It takes dedication. It takes a long period of time. What we have in Western Australia is a government that is prepared to get the state back on track. That is what members are seeing.

I heard what the Leader of the Opposition had to say. He started by saying that house price falls are terrible, but then he said that it had been going on for 10 years.

Mr B.S. Wyatt: Perfectly reasonable!

Mr M. McGOWAN: Hold on.

For the first eight years of the last 10 years, the Liberal Party was in government.

Dr M.D. Nahan interjected.

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

Mr M. McGOWAN: That is what happened. I want to quote what the Leader of the Opposition said in this under-recognised speech he made to the Urban Development Institute of Australia on 16 November last year, which was five months or so ago. He said this —

Our house prices haven't done anything but bump along downward for 10 years—we have reasonable house prices.

In November last year we had reasonable house prices, according to the Leader of the Opposition.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr M. McGOWAN: We are now in April and it is a catastrophe! Does the Leader of the Opposition think that when he says things like that in November, anyone can treat him seriously now? Does he think that is the case? Does he think people forget?

Dr M.D. Nahan interjected.

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

Mr M. McGOWAN: The thing about the Leader of the Opposition is that no-one in the press takes any notice of him, so they probably do forget. However, I will put it on the *Hansard* record so people have that as a reference point.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition, I will not warn you again.

Mr M. McGOWAN: I point out again to the Leader of the Opposition what he said in November. I quote: “we have reasonable house prices”. That is what he had to say back then. Obviously, there are a lot of people in mortgage stress in Western Australia. There are a lot of people who do it tough. We know that. That is why this government has a two-pronged approach to dealing with this. First, we will attract projects and create jobs. We will diversify the Western Australian economy. As outlined in question time today: Albemarle, Iron Bridge, Koodaideri, South Flank, the tourism initiatives taken by the Minister for Tourism and the aquaculture initiatives taken by the Minister for Fisheries. We will create jobs and create confidence. We secured the LNG futures facility and the CRC project yesterday. One after another after another, we are securing important projects for Western Australia and creating confidence in our community. My second point is to have good financial management to create confidence for investment in the state and to make sure that we can manage the debt legacy we were left.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition, I will not warn you again.

Mr M. McGOWAN: It is a two-pronged approach. The worst financial managers in the history of Western Australia are the Liberals and the Nationals WA. They have no right to come in here and criticise. They have no right whatsoever. The member for Bateman even admits it. He admits that that is what his government did.

Another thing we are doing is important and again, I think, under-recognised. In terms of development in Perth and Western Australia, we are trying to create infill. The city sprawl has gone on for too long. Infill is what is required. We have a strong infill. I am committed to infill. I am committed to greater density. I want to see smart density. I want to see interesting ways of people living in our state. We see that the Liberal Party is now disowning its own infill targets.

Dr D.J. Honey interjected.

The SPEAKER: Member for Cottesloe!

Mr M. McGOWAN: We have the relic, the member for Cottesloe.

Dr D.J. Honey interjected.

The SPEAKER: Member for Cottesloe, I called you to order for the first time.

Mr M. McGOWAN: He is like something from the —

Dr D.J. Honey: Point of order.

The SPEAKER: Yes, I am just writing your name down, member. I will not be a second.

Withdrawal of Remark

Dr D.J. HONEY: The Premier did not refer to me by my name; he referred to me as a relic. I believe he should withdraw.

The SPEAKER: The Premier will withdraw.

Mr M. McGOWAN: I said “the relic, the member for Cottesloe.”

The SPEAKER: Can you just withdraw that.

Mr M. McGOWAN: You asked me to withdraw. I withdraw, Mr Speaker.

Debate Resumed

Mr M. McGOWAN: The dated and unrepresented member for Cottesloe, who reminds me of a relic, he —

Point of Order

Mr D.T. REDMAN: Mr Speaker, that comment is in direct contravention of the comment you made about asking the Premier to withdraw.

The SPEAKER: No. The point of order was that the member for Cottesloe was not called by the name of his electorate, and he was in that comment, so I cannot change that. Shake your head.

Debate Resumed

Mr M. McGOWAN: The member for Cottesloe interjects. He seems to think that he can have no more people living in his electorate. He cannot have people who might not be millionaires moving into his electorate. He gets offended by the fact that ordinary people might have the opportunity to live in the western suburbs and that a little bit of density might mean that it becomes a little bit more affordable for other people from elsewhere. He wants to keep them out. He wants to put a fence around his electorate.

Several members interjected.

The SPEAKER: Members! Opposition members were heard in silence. Have the same respect.

Mr M. McGOWAN: “Let us put a fence around Cottesloe” is his attitude. He is the great hope of the Liberal Party. He is a one-policy idea —

Several members interjected.

The SPEAKER: There is something about discipline around here. The opposition was heard in silence and every time anyone gets up over on the government side, the opposition interjects all the time. It is discipline, and there is none that I can see from the opposition side.

Mr M. McGOWAN: The one idea of the member for Cottesloe is to ring-fence his electorate so other people cannot move in. The Liberal Party has now disowned the infill approach it had when it was in office. When we are talking about certainty in housing and about greater builds in housing, to now disown and create great uncertainty about planning policies for infill is a problem. I think infill is required. Our city extends 130 kilometres north to south with a population of 2.2 million people. We need smarter density planning. We need more people living on the land that is already developed. That is what we need and why we are building Metronet and creating planning opportunities. That is why —

Mr D.C. Nalder: Yanchep?

Mr M. McGOWAN: Yanchep already exists, my friend.

The SPEAKER: Members!

Mr M. McGOWAN: Go and have a look; get out of the inner city.

That is why if the member for Scarborough’s announcement came to pass that the Liberal Party would overturn existing infill policies, it would be a catastrophe. Members opposite cannot be re-elected with a policy like that. It would be a catastrophe for development and for our city. The member for Scarborough called John Day’s infill policies an unforced error and said they were a mistake. Members opposite were roundly condemned by, of all people, Sandra Brewer from the Property Council of Australia, who is increasingly growing on me. She is another one, a bit like Rick Newnham. Increasingly, she is seeing the light and that this government is doing the right thing by Western Australia. The Urban Development Institute of Australia’s Tanya Steinbeck also urged that this

government's policies stay in place, and the Planning Institute of Australia also urged that. If members opposite want to talk about issues that create a loss of confidence in the Western Australian housing market, and seek to overturn the existing infill targets and planning arrangements that create an incentive for greater infill in Western Australia, that is a policy disaster. That will create uncertainty.

Dr D.J. Honey: Rubbish!

Mr M. McGOWAN: Oh, my God! They are so bad. Members opposite are such a bad opposition.

Dr D.J. Honey interjected.

The SPEAKER: Member for Cottesloe!

Mr M. McGOWAN: Honestly, the member for Cottesloe's one idea is to have less infill because some people who live in Cottesloe do not like it.

Dr D.J. Honey: You don't listen, do you?

The SPEAKER: Member for Cottesloe! I will not warn you again.

Mr M. McGOWAN: That is where the Liberal Party is at in Western Australia. That is the member's one big contribution. He waited until he was 60 years old to be elected to Parliament. That is his one big contribution to policy in Western Australia. Seriously! Go and have a look at yourself.

Dr D.J. Honey: I was 59.

The SPEAKER: You might be 59, but I call you to order for the second time. I warned you three times, member for Cottesloe.

Mr M. McGOWAN: You would think you would have a bit of wisdom when you got to that age!

Obviously, we do not support the Liberal Party's motion. It is clutching at straws; it takes no responsibility for what it did when it was in office. This government is fixing its mess; it is creating jobs and getting the state back on track. This government supports infill and is fixing the finances. That is widely recognised across Western Australia. Until the opposition apologises and takes responsibility for what it did to the state over eight and a half disastrous years, it will go nowhere.

MR P.C. TINLEY (Willagee — Minister for Housing) [3.32 pm]: Thank you for the opportunity to comment. On 18 May, as we learnt today, Western Australians and, indeed, all of Australia will have a choice at the ballot box between a future they can believe in or the disunity, disharmony and backstabbing of the Liberal–National Party in Canberra. When they go to make that choice on 18 May, they will weigh up who has the better plan for Australia; who has the better ideas for ordinary Western Australians toiling away in our suburbs, our towns and regions; and who they believe will carve out a future for them and their children. What we saw of the Liberal–National government under Colin Barnett in Western Australia was a government that did not care about the future. It did not care about what legacy it left for successive governments to support generations as they hoped to do. The decline in house prices seems to be an obsession of members opposite without any regard to the driving assumptions that create those sorts of numbers. They keep talking about negative equity or, should I say, house prices that have been stagnant since 2014.

I make this comment now about economic policy. Creating economic growth from Canberra is like turning a supertanker. It takes time to have impact. Creating economic growth at the state level, although a little more agile, still requires significant momentum—the fundamental word here is confidence—and creating the confidence that will set the preconditions for Western Australians to take seriously the opportunities that are presented to them for their future. There is an old Greek saying that a wise man plants a seed for the shade of a tree that he will not enjoy. What did we get from the Liberal–National government? We got absolute blinding sunlight, no shade, no opportunity and no respite from the cost it imposed on the economy of Western Australia. This momentum requires a certain amount of leadership and thoughtful policy to create those preconditions.

Two years into its first term, the McGowan government has created the foundation for that confidence through its investment plan, its plan for jobs and its plan for creating the sort of industry that business wants to be a part of. There is \$ 2.7 billion worth of urban rail infrastructure in the form of Metronet. I have said on the record many times before that it is far more than just rail infrastructure. The 14 Metronet precincts that will be created as a result of Metronet are the fundamental things the Premier was talking about that will create the sorts of density that Western Australians not only want but also are starting to demand.

I want to dwell for a second on the choice Western Australians will have on 18 May—that is, the opportunity to choose somebody who has a plan, an idea and the courage, determination and persistence to see it through in government. That is none other than Bill Shorten and the shadow Treasurer, Chris Bowen, and should they win government, the very experienced cabinet they will install. They took to the 2013 election something that stunned many political analysts. For nearly 50 years, the concept of negative gearing has been a feature of the Australian economy and Bill Shorten took from opposition that shibboleth to the electorate and said that this is no longer sustainable. He said that the structural imbalance in house pricing arrangements in Australia have created

a circumstance in which housing is less affordable in Australia by a multiple of household income than it is in any other Organisation for Economic Cooperation and Development country. That is seriously good and strong leadership. What happened in the 2013 election when he took that policy and the capital gains tax policy to the electorate? He was not smashed at the ballot box. He barely lost. The perseverance and character of the man and his team was to continue with that policy from opposition and argue the case. I, for one, think he will be roundly rewarded at the ballot box on 18 May for his perseverance, thoughtfulness and considered arrangements around the policy he is talking about.

I want to talk about momentum. The economy is like a flywheel; it takes time, it takes energy, it takes a plan, it takes strong leadership—everything this side possesses and that side has no idea about. When we start to turn the flywheel, it takes effort and time to build. Yes, as members identified, we are seeing a significant spike in negative equity. I point members to understand the nature of negative equity—yes, it is not desirable; yes, people want to build equity into the price of their home. That does not necessarily mean they will have to sell and end up homeless. We know from the latest data that household savings in Western Australia are at 15 per cent. Think about that number for a minute. The national average for household savings is five per cent. Western Australians are saving more than ever before. What are they doing with their money? They are writing down debt at a time when they have record low interest rates and record low house prices. They know they have a government they can believe in. If they just wait it out, they will have the opportunity to significantly improve the equity in their home and get a significant uplift in the sorts of things they want to do in the future. The Leader of the Opposition talked in his opening statement about the centrality of the house to a family and to good social structure. People are not about to sell the family home just because it is in negative equity; they are going to double-down when the conditions allow them to write it down.

We should also not underestimate the impact of the Hayne royal commission on household lending, which has had a significant impact on the retail lending sector and the banks. The banks will say that suburbs in the outer areas—many of the suburbs the Leader of the Opposition and the member for Bateman identified—are not the sorts of suburbs in which they will invest.

The other thing we had to get over when we came to government was the downward momentum of the previous government. As the Premier outlined, there was the emblematic issue and fundamental problem of the impact of three land tax increases over the term of the previous government. Members opposite need to own that and accept it. They need to identify the fact that these things had a significant impact on investors in Western Australian property and small businesses. I will again break down for members what three land tax increases meant for people. Taxpayers with taxable land worth \$750 000, which is not an outrageously big number, would have seen their land tax bill increase from \$405 in 2013, around the time of the second Barnett election, to \$1 125 in 2016—a 180 per cent increase in three years. That was a 180 per cent increase in land tax. The cost to business is insane. This is one for the member for Cottesloe, the member for Struggle Street: a taxpayer with taxable land worth \$1 million, which I imagine would be at the low end in the member's electorate, would have seen their land tax bill increase from \$630 in 2013 to \$2 730 in 2016—a 333 per cent increase in three years. I do not know how they manage in the western suburbs! I am not quite sure how they make ends meet over there! I reckon they need some serious leadership from their representative in the Parliament so that they understand what caused their household grief. It was, simply, the policies of the previous government, which had no regard for the future of successive generations in Western Australia. That government just emptied the bank account. It bent the plastic until there was none left and left \$40 billion worth of debt, which we inherited.

The discipline that had to be shown by the McGowan cabinet in the first two budgets of this government has been very difficult for all ministers. There are many things we all want to do to get on with the program of creating the sorts of circumstances we are talking about, but we unfortunately had to deal with the mess we were left with in the first instance. I look forward to the next Leader of the Opposition, whoever it might be, explaining to the people of Western Australia, through the Parliament and on the public microphone, what went wrong. Why did that government lose the 2017 election? We have never had a genuine explanation from that side. Members opposite do not attend to the idea that they might need to explain to Western Australians why they lost the 2017 election, and in such emphatic terms. I can give some hints. I gave them one about land tax. There were also the increases to household fees and charges, which that government was responsible for.

We are getting on with it. We have identified the requirement for thoughtful density, particularly around the Metronet precincts and other precincts for which my agency is responsible. Since coming to government, we also recognised the impact of the lending arrangements on low-income earners. We identified the requirement to make sure that the loan book for Keystart is healthy. This successful piece of public policy was invented by Labor in 1989. It is 30 years old. The two per cent deposit under that scheme creates opportunities for people to get into a home. It takes the average household two and a half years to save the two per cent deposit for a median-price house in Western Australia, versus 11 or more years for a 20 per cent deposit with a retail bank. Since coming to government, Labor has put over \$900 million into that loan book. What did members opposite do? Nothing; just nothing! As I said, I am looking forward to the next Leader of the Opposition, whoever that might be, coming in here and explaining what went wrong.

MR B.S. WYATT (Victoria Park — Treasurer) [3.45 pm]: The motion moved by the opposition is based around some data it got from an outfit called Digital Finance Analytics. For the benefit of the house, I outline that Digital Finance Analytics is a blog site. It does not compile its own datasets. To be honest, mortgage stress is a vague definition of either mild mortgage stress or severe mortgage stress. It is certainly not a reliable dataset, but it does provide a picture of what might be happening. To have a motion led by a man who is allegedly an economist based around a blog site that is not a dataset, I think highlights why we are in the fiscal position we are in. I want to emphasise one point. The opposition made the point around the cost of living. Of course, cost of living is a factor of two things—costs, yes, but also income. Yet the WA Liberal Party is the only Liberal Party in Australia that does not support an increase in wages. Josh Frydenberg, the commonwealth Treasurer, emphasised in his budget speech the importance of an increase in wages. The deputy governor of the Reserve Bank of Australia, Guy Debelle, made this point in a speech he made yesterday —

The critical factor in the future evolution of both arrears and negative equity —

There are datasets for both of those, which I will come to in a minute —

is whether the household with the mortgage has an income and a job.

The former Liberal–National government did not create one net new job in its final term. At the end of that four-year period, it had lost, on a net basis, nearly 700 jobs. This government has created just over 35 000 jobs in its two years thus far. As the Reserve Bank identifies, the key factor of arrears—it is not a generic stress—is one's income and job. Interestingly, the Leader of the Opposition alluded to one dataset, which was put out by CoreLogic and Moody's Analytics just this week. It got the numbers wrong, unsurprisingly, but it does paint the picture that in every capital city other than Hobart property prices are declining. This is not a Western Australian story; it is a national story. Thankfully, we are not in Melbourne or Sydney, where the declines are twice as much as we have seen here. I daresay the Leader of the Opposition did not read the document. Two points that the CoreLogic report outlined are —

Although the housing slump is expected to continue, the fundamentals in Western Australia are slowly improving. The RBA nonrural commodity price index has risen nearly 80% since reaching a trough at the start of 2016. Population growth in Greater Perth and Western Australia has stabilised after falling sharply from 2015 to 2016, although there is still a sizable outward interstate migration.

Which there is —

Moreover, building approvals have been falling precipitously since the peak in 2014, signalling an impending reduction in housing supply. All these factors will likely enable a return to growth for both house and apartment values in the following year, and then firming in 2021.

At the same time that the opposition has complained about negative equity, it has demanded that I pump-prime more investment in the property sector. It is a bizarre scenario that is being advocated by the shadow Treasurer and Leader of the Opposition. The opposition complains to me about negative equity. Why? Because of supply, as identified by CoreLogic. But they want from me a policy of response that simply increases supply and, presumably, therefore increases negative equity. We are seeing rental vacancies now at four-year lows, and that will do what the market does and drive demand.

Division

Question put and a division taken with the following result —

Ayes (11)

Dr D.J. Honey
Mr P.A. Katsambanis
Mr A. Krsticevic

Mr S.K. L'Estrange
Mr W.R. Marmion
Mr J.E. McGrath

Dr M.D. Nahan
Mr D.C. Nalder
Mr D.T. Redman

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

Noes (35)

Ms L.L. Baker
Dr A.D. Buti
Mr J.N. Carey
Mr R.H. Cook
Ms J. Farrer
Mr M.J. Folkard
Ms J.M. Freeman
Ms E.L. Hamilton
Mr M. Hughes

Mr W.J. Johnston
Mr D.J. Kelly
Mr F.M. Logan
Mr M. McGowan
Ms S.F. McGurk
Mr S.A. Millman
Mr Y. Mubarakai
Mr M.P. Murray
Mrs L.M. O'Malley

Mr P. Papalia
Mr S.J. Price
Mr D.T. Punch
Mr J.R. Quigley
Ms M.M. Quirk
Mrs M.H. Roberts
Ms R. Saffioti
Ms A. Sanderson
Ms J.J. Shaw

Mrs J.M.C. Stojkovski
Mr C.J. Tallentire
Mr D.A. Templeman
Mr P.C. Tinley
Mr R.R. Whitby
Ms S.E. Winton
Mr B.S. Wyatt
Mr D.R. Michael (*Teller*)

Pairs

Ms M.J. Davies
Mrs L.M. Harvey
Mrs A.K. Hayden
Mr Z.R.F. Kirkup

Ms C.M. Rowe
Mr T.J. Healy
Mrs R.M.J. Clarke
Mr K.J.J. Michel

Question thus negatived.

INFRASTRUCTURE WESTERN AUSTRALIA BILL 2019

Consideration in Detail

Resumed from an earlier stage of the sitting.

Clause 3: Terms used —

Debate was interrupted after the clause had been partly considered.

Dr M.D. NAHAN: I refer to the definition of “major infrastructure proposal”. Will Metronet projects be included in the strategy that will be presented? Is it one of the major infrastructure proposals now being considered under the definition of that term? In other words, how far back do we go? Are existing ones included? Are proposed ones included? Are ones that do not have finalisation included? After the bill is gazetted, after 18 months, John Langoulant and his friends will be busy coming up with a grand strategy for infrastructure for Western Australia. Obviously that would include large rail projects. Will Metronet projects be included in that, and will they be costed by Infrastructure WA?

Mr M. McGOWAN: They have largely been through Infrastructure Australia already. As I have said a number of times, if things have gone through Infrastructure Australia, there is no requirement for them to go through Infrastructure WA. The reason we put them through Infrastructure Australia is that they are largely funded by the commonwealth government, and contracts will be signed this year following the approval of Infrastructure Australia. The answer is largely no because this body does not really start the business case process until the completion of the infrastructure strategy. I cannot create it three years ago; it cannot be done. As the member may have seen, the commonwealth government, the Liberal government, is campaigning around Metronet projects in that it is funding them, and it wants them built. They have gone through Infrastructure Australia and contracts are being issued.

Dr M.D. NAHAN: I refer to the strategy. There is the 10 or 20-year strategy and the proposals are costed. I assume that Metronet, as it exists now and is being developed, will be included in that strategy and expansions or deviations to it, or whatever is done, will be built. In other words, there might be a Metronet mark 2. As with commonwealth and New South Wales infrastructure, those projects will be gone through and mapped out, and some kind of time horizon will be put on them. When did this start? Is the government going to go back and say what is being developed is included in the strategy with an augmentation from that or is it going to start afresh from the future, which I do not think makes any sense, and forget what is here now and being built now?

Mr M. McGOWAN: It is a forward-looking strategy, so there are obviously things already built and anything with a contract signed will be built. If there are rail projects, if the opposition wants to take the Metro Area Express light rail to the next election or it wanted to examine the MAX light rail again, it would be a matter for the board to look at. I cannot go back in time and look at the Forrest Highway or the goldfields water pipeline or whatever has already been built. It is a forward-looking strategy, but it is a matter for the board to create the strategy based on what it thinks is required in the long-term future, the 20-year future, of Western Australia.

Mr W.R. MARMION: I think I was halfway through a question when we got cut off and I have just remembered what it was. It relates to part (b) of the definition of “major infrastructure proposal”, which says —

... if —

...

the proposal is nominated by the Premier for the purposes of this definition ...

If a proposal is nominated by the Premier as a major infrastructure proposal, is it captured under division 3, clause 59 under “Premier may give directions”? In other words, if the Premier nominates a particular project as a major infrastructure project, is it captured under clause 59?

Mr M. McGOWAN: No.

Mr D.T. REDMAN: Under the heading “government trading enterprise” on page 3, there is a list of government trading enterprises. I am unsure whether the Western Australia Planning Commission is included. Its role and responsibility is to purchase land, particularly during its forward projecting for new freeways and highways, and it makes land acquisitions using funds from the metropolitan region improvement scheme. In some cases, it transacts with the Housing Authority. Is it included in the assessment of Infrastructure Western Australia?

Mr M. McGOWAN: It is not a government trading enterprise, but it is covered under the term “State agency” on the next page.

Mr D.T. REDMAN: I am sorry, Premier, under “public authority”?

Mr M. McGOWAN: It is not a government trading enterprise, but I am advised that it is covered on page 4 under “State agency” because it is an agency as defined in the Financial Management Act 2006.

Mr D.T. REDMAN: The Premier has defined what agencies will come under the mix and it is pretty much the GTEs; in fact, the Premier said at the start that he suspects that most of the activity of Infrastructure Western Australia will fall within the activities of GTEs, but there is also the Housing Authority, the Department of Education, Western Australia Police Force, the Department of Health and various royalties for regions programs that might operate outside of those agencies. There is also the WAPC. Am I right in saying that a relatively small group of people will have a very intimate understanding of, and connection with, the activities of government? I am sure that a lot of developers in the state would love to have an insight into the activities of the WAPC. I am interested in the reasons for including the WAPC in Infrastructure Western Australia, because I would have thought that it would sit outside the broad remit of what it is trying to do. We appreciate the direction the Premier is trying to take, but planning is a unique space, particularly the activities that it does in forward planning infrastructure works.

Mr M. McGOWAN: The WAPC does not build infrastructure and although it is part of government and this body is designed to come up with an overarching plan for the entirety of government, the WAPC does not build infrastructure. Although it may seek advice and assistance from Infrastructure Australia and look towards its overarching infrastructure plan for land, it does not build infrastructure. So the member is aware, the expectation is that the head of the planning department will be on the board of Infrastructure Western Australia in any event.

Dr M.D. NAHAN: Paragraph (c) under “major infrastructure proposal” reads —

The project is or the projects are prescribed, or in a class of infrastructure project prescribed, for the purposes of this definition;

What kind of projects will be prescribed and how is that defined?

Mr M. McGOWAN: None are prescribed at this point because obviously it will be what comes along and what might be appropriate at any given point in time, and that would come in the form of a regulation, which would be disallowable.

Dr M.D. NAHAN: We have had individual projects, such as Optus Stadium. In the 2000s, the government of the day asked John Langoulant to review the building of a stadium. Is that the type of major project that the Premier is looking at?

Mr M. McGOWAN: It cost over \$100 million—it cost \$1.82 billion—so obviously it would have been caught, but it cannot be caught because it has already been built.

Dr M.D. NAHAN: I am trying to get an idea of the types of projects that will be prescribed and why they are different from those covered by other departments. Government departments cover virtually every level of activity of infrastructure. The Premier has come up with a different grouping. I asked what types of projects will be prescribed and the Premier said whatever pops up. I am trying to get an example of what they will be.

Mr M. McGOWAN: Obviously, the stadium would have been caught by paragraph (a) under “major infrastructure proposal” because it cost more than \$100 million. Obviously, Infrastructure WA was not in place at that point so it would have been part of the business case process and so forth. I would expect that had this body been in place, we would have made a submission to the commonwealth government and we would have probably received a significant amount of money from the commonwealth government as a consequence of that process, but, unfortunately, that did not occur. Paragraph (c) is for projects that are less than \$100 million, but it will depend on the exigencies at the time. It will be up to future governments to decide what projects they will be. I do not have a list in front of me because that is a matter that future governments will consider.

Mr W.R. MARMION: I refer again to paragraph (b) under “major infrastructure proposal”. If paragraph (b) is not captured by clause 59, which states that the Premier will give a written direction, how does the Premier envisage his instruction to nominate a major infrastructure proposal will be conveyed to Infrastructure Western Australia? Will he make a phone call, will it be done by the chief of staff or will it be in writing? Indeed, it would be a good idea to put it in writing so that the Premier knows the list of projects that might be in the final strategy, the projects chosen by the board and the CEO and those nominated by the government of the day through the Premier.

Mr M. McGOWAN: I expect—I think this is the experience elsewhere—that the Premier may well write to the board to request an assessment of a particular proposal. For any such assessment, a summary of the business case would be tabled so that what occurred is clear.

Mr D.T. REDMAN: One of the bodies listed on page 4 under “government trading enterprise” is the body established by the Western Australian Land Authority Act 1992. It is my understanding that that is LandCorp. LandCorp has had, and I suspect still has, a number of investment projects in which it has a joint venture partnership with the private sector. Those relationships are quite sensitive. The person acting for the government must work in the interests of taxpayers because they are making a contribution. Of course, there are the broader benefits that those investments make. If a project is over \$100 million—I do not think it is a big ask to presume that projects will fall into that space—a formal requirement will go before the board of Infrastructure Western Australia and

a very small group of people, including people from the business community who sit outside Western Australian government agencies, will dominate with recommendations, input and advisory offerings and will presumably drill down to the financial details of an investment to determine whether its business case stacks up and whether it will make a recommendation. Can the Premier comment on that relationship? It is quite unique compared with what happens now in that there is a unified government position—and, therefore, by extension, the taxpayers—on one side of the debate.

Mr M. McGOWAN: It is a fair point, but it is covered under clauses 44, 64 and 65, which deal with conflicts of interests and confidentiality. I am more than happy to explain it when we reach the relevant provisions.

Clause put and passed.

Clauses 4 to 6 put and passed.

Clause 7: Principal objects —

Dr M.D. NAHAN: This clause lists the objectives of the body. The first objective is to provide advice. How binding is this advice?

Mr M. McGOWAN: It is not binding; it is persuasive. As I said in my second reading speech and my reply, it is a persuasive body of work that I expect governments will take serious account of.

Dr M.D. NAHAN: The government of the day might decide to not adhere to that advice, reject it or do something different. If it overrides the advice of this independent agency, how will it communicate that? Is it required to communicate that decision or otherwise?

Mr M. McGOWAN: Clause 16 contains a range of provisions about how the response is provided. When we get to that clause, we will be able to discuss it, but it is tabled in Parliament.

Dr M.D. NAHAN: How do the objectives of Infrastructure Western Australia align with the strategic development plans of the government trading enterprises? Each of the GTEs are required to put together a strategic development plan, which is essentially a long-term infrastructure planning document for each agency which is submitted to the minister, and presumably to Treasury and government. That is essentially the government's plan for that respective area of infrastructure, which the minister and therefore the government signs off on. Is Infrastructure WA required to adhere to those plans; can its plans differ; and how will a difference in view between the strategic development plans of an agency and Infrastructure WA be resolved?

Mr M. McGOWAN: They would be input into the deliberations of Infrastructure WA. Strategic development plans by definition are quite high level and they are not a capital works plan, which is the arrangement that Infrastructure WA is working upon. They are different things, but, in any event, cabinet makes the final decision.

Dr M.D. NAHAN: I do not have it in front of me but the SDPs did include capital investments, particularly for electricity agencies. They indicated where there was transient growth and demand, and the need for infrastructure investment. I can remember the ones for water included major investments in additional augmentation of water supplies, sewerage facilities and other things. They included operating expenses and other activities and they indicated the demand and location of major infrastructure decisions. It goes back to the point that we discussed earlier. The existing planning process is perhaps in silos, by departments, particularly for the GTEs, which according to the Premier will be a dominant focus of Infrastructure WA. We are trying to resolve how Infrastructure Western Australia will augment or add value to the existing system. The SDPs deal with infrastructure, but not necessarily at a high level. Infrastructure bodies in other states, and the commonwealth, deal at a much higher level than do the SDPs for our state trading enterprises. How will we make sure that consistencies in approach are maintained, particularly given that SDPs are signed out to the minister by the boards of those agencies?

Mr M. McGOWAN: I have a copy of an SDP from the Water Corporation. It has essentially three pages on capital works that are sparsely populated. It is not a very comprehensive plan and it does not allow for the working in of the capital works of the Water Corporation with the other agencies of government. Therein Infrastructure WA provides advice in an overarching sense for water investment and assists the Water Corporation with business planning and the like.

Mr W.R. MARMION: Clause 7(c) states that one of the objectives is to promote the adoption of policies and practices et cetera. Can the Premier advise on the mechanism by which this happens and what sort of things he envisages Infrastructure WA will be promoting in terms of policies?

Mr M. McGOWAN: Subclause (c) allows for the promotion of best practice when it comes to the development of business cases and the like. Different agencies have different strengths. Infrastructure WA will have considerable knowledge and skills that can support other agencies across government.

Mr W.R. MARMION: Under project management principles sit the well-established principles of needs assessment, project definition and options analysis right through to post-project evaluation. All major agencies already have that in place. I guess it depends on the size and scope of the project as to how well we delve into

those project management principles. Will some dollars be sitting in Infrastructure WA that can be used to promote a generic set of good principles to those agencies? All we have to do is find the best practice in one agency and say, “Look at this and follow that.” Will there be advertising or will projects be promoted? Can the Premier explain what “promotion” means in this case?

Mr M. McGOWAN: As I outlined earlier, by the third year the budget will be \$5 million. The board will be able to spend that money on whatever purpose meets the objective. That would be a board decision.

Mr D.T. REDMAN: Clause 7(b) states —

to assist in enhancing the efficiency and effectiveness of infrastructure planning and coordination;

One of the strategies to get some efficiency into government spending is to get the private sector to invest in off-balance sheet items. Will the object of Infrastructure Western Australia extend to recommending or indeed advising government on private sector investment and public-private partnerships and the like as strategies to deliver efficiency and effectiveness in its recommendations, or will this government steer clear of the privatisation possibilities?

Mr M. McGOWAN: The member will see that over the page, under the next clause, there is the opportunity to provide advice on the funding and financing of infrastructure—that opportunity exists. There are various ways in which that can be done, but we want to be very careful with off-balance sheet investments because sometimes they can go very wrong and can lose taxpayers countless millions of dollars.

Dr D.J. HONEY: I refer to subclause (a) which states —

to provide advice and assistance to the Government on matters relating to infrastructure;

I understand that Treasury already carries out a significant part of that role. Will there be some removal of that duplication or what will the interaction of Treasury be in that detailed analysis?

Mr M. McGOWAN: The difference is that this body will be far more transparent. It will provide more information to the public and the Parliament and, therefore, to the opposition. There is no duplication because Treasury is not independent. This body is independent. An independent board will provide that advice to the Premier and then, as I outlined earlier, eight pieces of information will be provided to Parliament.

Dr D.J. HONEY: My concern was whether there was potential for, if you like, some interagency rivalry if Treasury has a different view from that of the agency. Obviously, if there was some coordination between them, it could potentially be avoided.

Mr M. McGOWAN: No; Infrastructure WA will be advisory; but, in any event, the Under Treasurer, Michael Barnes, will sit on the board.

Mr D.T. REDMAN: On the point that one of the principles is efficiency and effectiveness, there have been various asset recycling programs. The sale of a tranche of assets to make investments in other assets may well be linked to a significant asset investment program that triggers the threshold of Infrastructure WA. Will the remit of asset recycling come within the possibilities of consideration?

Mr M. McGOWAN: I think this relates to clause 8(1)(h)(ii), which I am happy to deal with.

Dr M.D. NAHAN: I asked a question about strategic development plans, but all government trading enterprises also have a strategic asset plan that recommends the top priority investment proposals for government consideration. I assume that this will be the starting point for Infrastructure WA. The question then is: how will we ensure consistency between the strategic asset plans of agencies and the views and priorities of Infrastructure WA?

Mr M. McGOWAN: This is one of the issues that this body is designed to fix. The plans do not exist in all agencies. I am advised that they are of very variable quality and they are not publicly available. Infrastructure WA will fix the problem that currently exists.

Dr M.D. NAHAN: I understand that the plans are a requirement of agencies under the strategic asset management framework. I think quite a few agencies have one. If they are of variable quality, why does the Premier not get the agencies to fix them?

Mr M. McGOWAN: I am advised that they are of very variable quality and whether they exist is very patchy. I suspect that that has been a position within government for a long time, but obviously Infrastructure WA is designed to fix that gap.

Dr D.J. HONEY: Clause 7(c) refers to promoting the adoption and use of the policies, which the member for Nedlands fleshed out a little. Will that promotion—I am talking perhaps more in the literal term of that word—purely be within agencies and government or will it include promotion at some level outside of government? To be clear, I mean publicly.

Mr M. McGOWAN: It will be within government.

Dr M.D. NAHAN: I go back to the strategic asset plan. Agencies will do these strategic asset plans and then use them. The SAP requirements include a mixture of any chronic and capital asset problems, current asset optimisation and refurbishment, asset demand management measures, and new and major investments. Basically, that is what Infrastructure Western Australia is supposed to do. This requires a great deal of specific detailed information by certain departments, whether it is electricity generators such as Synergy and Western Power, the Water Corporation or LandCorp. How will a little department like this, with a total budget of \$5 million, general skills and a board that mainly comprises people from the public sector but not with engineering and capital optimisation, possibly be able to do this for the Water Corporation—I think the Water Corporation has a strategic asset plan, as do Synergy and Western Power—unless the departments do them in the first place?

Mr M. McGOWAN: The expectation is that agencies will provide that information as an input to Infrastructure WA, which will interrogate and examine it. The problem with strategic asset plans is that they have a duration of 10 years, not 20 years, and the Infrastructure WA strategy is a 20-year document. The overarching point is that Infrastructure WA is designed to provide a whole-of-government and overarching plan for Western Australia, not just silo plans as currently exist.

Dr M.D. NAHAN: I accept that the aim is for a whole-of-government plan, but the whole of government is made up of different agencies. They do these strategic asset plans that require a great deal of specialised, skilled information about their agencies. Many of them go beyond 10 years, but if the duration is not long enough, we could just say that SAPs will go for 20 years rather than 10. I think the Premier's point was that Infrastructure WA will go to these agencies and say, "Do a strategic asset plan for 20 years and provide it to us". Is that what the Premier is going to ask them to do? In some cases, the plans exist and they are very thorough. They are not made public—fair enough. In my view, they should be made public; they should be out there for discussion. If Infrastructure WA facilitates those SAPs being made public, that is good, and we will discuss that in a little while. We are trying to find out how a little agency with a budget of \$5 million can do strategic asset plans for all these agencies, which, by the way, in aggregate, would spend probably \$100 million on the planning if we include the electricity and water providers, Main Roads and everything else. We are trying to find out how a new agency can build from and improve what exists and then disseminate it.

Mr M. McGOWAN: The role is not to do a strategic plan for agencies; it is to create a state infrastructure strategy for the entire state. The strategic asset plans would be input into that consideration. If it encourages agencies to do a greater amount of planning, that will be a good outcome of this process. The strategic asset plans will not be made public. I am advised that agencies are very sensitive about ensuring that that does not occur.

Dr M.D. NAHAN: I started this line of questioning when the Premier said that Infrastructure WA would actually do the work because the plans are not done well by departments now. Now I think he is saying that departments will be required to do them and submit them to Infrastructure WA. Which is the case? I cannot see how Infrastructure WA could do it, given the size of its budget and skill base. If Infrastructure WA will force or induce departments to carry out strategic asset plans for the duration and of the quality that is required, that will be great. That is what we want to know. Then Infrastructure WA will use them and put them together. One of the Premier's criticisms of the SAP process is that it is not public, so I took that to mean that Infrastructure WA will do the work or, more importantly in this case, make the issues public. I would like a little bit of clarity here.

Mr M. McGOWAN: Some agencies are not doing their SAPs or they are of very variable quality. Infrastructure New South Wales identified that there were gaps and indicated that some agencies needed to prepare their own strategic asset plans, and there was a net benefit across government from that process. I said that Infrastructure WA is designed to provide a whole-of-government infrastructure plan or strategy, and that some agencies do not have strategic asset plans and it will encourage them to do so.

Mr D.T. REDMAN: Following on from the line of questioning from the Leader of the Opposition, I am interested in the nature of that relationship or that direction from Infrastructure WA to an agency. Does the agency request the input or the advice or the work by Infrastructure WA? Does the Premier or a minister request that to occur? The Premier has just highlighted in his response to the Leader of the Opposition that agencies have variable levels of strategic asset plans that clearly need to change, but who will actually put it on the table? Will someone at Infrastructure WA cast a net over all the agencies saying, "Bring them up, put them on the table, and we'll have a look and see how we go"? What is the nature of that relationship and the interaction to achieve the outcomes that the Premier has just put on the table?

Mr M. McGOWAN: That is covered under clauses 8(c) and (d).

Mr W.R. MARMION: The objective at clause 7(b) is quite good and is important. It states —

to assist in enhancing the efficiency and effectiveness of infrastructure planning and coordination;

Concentrating on the planning side, the key starting block in doing any infrastructure planning for Western Australia is the planning information for which the Department of Planning, Lands and Heritage is responsible. We need to be able to predict rates of infill or any sort of land-use planning for the future to work out what sort of infrastructure will be needed around that land-use planning. I am assuming that the Department of

Planning, Lands and Heritage will be one of the key agencies as a starting block for future determination of where development might take place. If that is a starting block, will Infrastructure WA gather that information and build on it or will it look at what the department is doing and say, “There are some gaps here. Can you fill those gaps, because we can’t start to develop our strategy? We can’t do a 20-year plan if we don’t have the information.” It is only a \$5 million agency, so it cannot do the planning. It will rely on the Department of Planning, Lands and Heritage to do that. I would like some assistance in determining how the Premier sees Infrastructure WA interacting with the Department of Planning, Lands and Heritage in setting the basis, such as where we will be in population growth in 20 years’ time, which will be the starting block of what infrastructure we will need in 20 years’ time.

Mr M. McGOWAN: I think clauses 8 and 22 deal with that. The CEO of the Department of Planning, Lands and Heritage will be on the board of Infrastructure WA. The role of Infrastructure WA is to gather information, whether it is referred or sought, in order to prepare the state infrastructure strategy.

Dr M.D. NAHAN: The Treasury guidelines for strategic asset plans are very comprehensive. They start out, as the member for Nedlands just indicated, with demand drivers and projections that include federal and state government policy prescriptions, community consultations—that is, the things they undertake with their constituents—demographic and client usage, supply trends and current and emerging legislation and regulation. These are all, in many ways, the reasons we have government departments, agencies or government trading enterprises—to obtain this expert information. Infrastructure Western Australia will, as the Premier implied happened in New South Wales, build on the existing planning process by having agencies produce asset plans that are consistent in the demand drivers, and adequate according to the criteria set by Infrastructure WA and, hopefully, Treasury, and pull those things together. It is largely functioning as a body to improve what exists now, pull them together and have an overarching strategy, rather than doing it itself, duplicating, overriding or having a different approach. Again, we are creating a new body that is not very large, and the starting point, from the Premier’s rhetoric, appears to be that very little overarching planning is being done, and the reality is that a lot is being done. It is very complex, and if we do not build on what we have we will get pretty poor outcomes for Infrastructure WA.

Mr M. McGOWAN: The plan is to create an overarching strategy, interrogate and test the information provided by the agencies, and improve the quality across agencies. Obviously, different agencies often have different and inconsistent planning assumptions contained within them, so it is also designed to get some consistency on that.

As we discussed earlier, its other main function is for infrastructure projects over the \$100 million mark. Although I admit that a \$5 million annual budget is not huge, it allows for that level of assessment in relation to those things.

Dr M.D. NAHAN: Is an objective of Infrastructure WA to look at longer term trends that might affect infrastructure that is not specifically looked at by certain agencies? In the case of both Infrastructure WA and Infrastructure New South Wales, the Premier gave them specific directions to look at certain things that are changing. I mentioned earlier electric vehicle charging systems around Victoria, and in New South Wales I think they looked at transport changes. It is one of the objectives here also to have Infrastructure WA look at longer term trends in the delivery of infrastructure, perhaps even transport or otherwise?

Mr M. McGOWAN: That is correct. That is contained under clause 14(2), and a range of factors could be considered—for instance, the ageing population, demographic change and climate change.

Dr M.D. NAHAN: Before we leave this, we have multiple objectives, which is fair enough, and we have multiple agencies. Infrastructure WA will rely on a lot of agencies providing that information on their asset plans, and, as the Premier indicated, these will be of variable quality. Will Infrastructure WA have, perhaps conjointly with Treasury, responsibility to go and set up a strategy or principles for developing strategic asset plans, and getting ways to enforce quality? First, they are finished and of a quality suitable for the government and for Infrastructure WA. Will it have power to back up and ensure, as the Premier points out, that agencies complete their strategic asset plans?

Mr M. McGOWAN: Clause 8(1)(c) allows the Premier to request Infrastructure WA to provide advice and assistance to agencies in preparing such plans.

Mr W.R. MARMION: The Leader of the Opposition has raised a very good point about the incredible amount of data involved in managing this agency. If I were the CEO, I would be concerned about how I might capture the data from different agencies and access it quickly if I needed to respond to, say, the Premier’s request for some advice on a particular project. I see a need for a very good information technology expert as part of the team and a budget allowance and some thought on how the data might be captured and presented. It might be found that some data that has come from the department is confidential. What sort of controls might there be around that? Infrastructure WA might need to have the data, knowing that there is some sensitivity around that. I know that there are provisions in the bill about sensitive data, nevertheless Infrastructure WA may need some hard data to do its analysis. There are probably multiple questions there, but I would like to hear how the Premier envisages the agency storing and accessing data and the controls around sensitive data?

Mr M. McGOWAN: That is all contained under clauses 22, 63 and 64.

Clause put and passed.

Clause 8: Functions —

Mr D.T. REDMAN: I have a couple of questions on clause (8)(1)(a), which goes to the core of the state infrastructure strategy. Is government, cabinet and/or the Premier required to sign off on what projects Infrastructure Western Australia picks up, or is it a mechanical process as part of the thresholds that apply within the act?

Mr M. McGOWAN: The government is not required to sign off but it is required to respond.

Dr M.D. NAHAN: Infrastructure Western Australia is obviously going to have to be selective in the projects it focuses on, because even in a state like ours there is a large number of projects over \$100 million, particularly if we look over a 20-year period. Infrastructure Western Australia will have to do some kind of rationing of what is in and what is out, otherwise it will not be able to digest them. Will there be some process between the Department of the Premier and Cabinet and Infrastructure Western Australia to give some guidance about what is in and what is out, and its priorities? It may want to focus on transport as opposed to Western Power. What kind of systems will be put in place to choose between where the limited resources will be put to various functions?

Mr M. McGOWAN: That would be a matter for the board and, as I said, the board predominantly comprises those from the private sector, with significant public sector backing. Infrastructure bodies in other states have focused on projects of state and regional significance.

Mr D.T. REDMAN: Earlier, I asked a question about the relationship between the board and government agencies. The Premier referred to clause 8(1)(c) and (d). I wonder whether the Premier could expand on the nature of that relationship. I think a number of things could be triggered and a number of ways could trigger them. If an issue emerges in a strategic asset plan that sits within an agency, the bill suggests that the Premier can trigger it by telling an agency that it would like Infrastructure WA to have a look at it. It also suggests that the agency can seek assistance from Infrastructure WA if it so chooses. Can Infrastructure WA unilaterally ask an agency to put its material on the table so Infrastructure WA can look at it? Can the Premier expand on the nature of those relationships?

Mr M. McGOWAN: The details around how that occurs, I think, are contained in clause 22.

Mr D.T. REDMAN: It comes under one of the functions of the bill. I would have thought this was an appropriate occasion to give some clarity about the nature of that relationship. I think it is an important one. For example, is Infrastructure Western Australia able to direct activity within an agency or direct an agency to put something into its plan, change the plan, have some sort of influence over what we might see as the normal operating activities of the agency, not at an operational level, but at a decision-making level to make asset investment, which is the very nature of this bill?

Mr M. McGOWAN: This is contained in the provisions of clause 22; I am happy to provide answers then.

Mr D.T. REDMAN: Clause 8(1)(g) includes “to monitor and report on progress in implementing the State Infrastructure Strategy”. From my memory of the clauses that are coming up, I think the state infrastructure strategy is refreshed every five years and there will come a time—pretty soon we hope—that there is a change of government. That means the new government will have at least a five to 10-year investment plan that Infrastructure Western Australia will be reporting on. What is the nature of that shift? Does it mean the plan is dumped and a new plan is refreshed at the direction of the Premier; or, as I understand it, does the plan stay alive? The relationship between Infrastructure Western Australia and the Premier means that the Premier has a look at the plan but that if he or she does not like it, it is sent back. When it is put up again, they have to take it—it is on the table. Something that this Premier’s government produces could be live going into the terms of the next government, which may have limited capacity to bring the influence of a new government into those asset investment strategies.

Mr M. McGOWAN: This is contained under the provisions of clause 24; I am happy to discuss it then. In general terms, the strategy is Infrastructure WA’s strategy and obviously the government responds. A new government can respond to the strategy as well, but that is the point—to get some independent, strategic advice on infrastructure across Western Australia.

Mr D.T. REDMAN: But, Premier, I think it is a really relevant point that all the way through this process, direction is given by the government and that the government agencies that fall under ministers will influence what goes into the strategic asset plan for the state. We will arrive at the point at which there is a transition to a new government and the plan will be live. I am sure the Premier will admit that that is the case and therefore there will be issues with a new government potentially taking on the agenda of the previous government.

Mr M. McGOWAN: The strategy is not binding, so another government can put a response to the strategy at any point it likes, which is contained in the provisions of clause 16.

Mr D.T. REDMAN: The strategy is not binding, nevertheless, it is there. A particular government strategy, which it has had influence on over the course of its term or terms of government, will be in place, so a new government will have the old government’s strategy and it will not be able to influence that. I have a very direct question: can the Premier and/or the cabinet of the day direct Infrastructure WA to start again, and get a whole new state infrastructure strategy?

Mr M. McGOWAN: Clause 13 states, “The Premier may direct that a strategy be prepared and submitted within a lesser period” but he cannot direct what is in the strategy.

Dr M.D. NAHAN: I have a couple of questions. Infrastructure New South Wales has a much more extensive range of functions than those proposed here. In his second reading speech, I think the Premier said we will have a more limited range of functions and roles than those in New South Wales or other states. For instance, Infrastructure New South Wales provides expert advice, which Infrastructure WA will probably do as well, and also has a role in providing assurance on project delivery, which is a very important role and one that this body could do. Infrastructure New South Wales also runs projects and, strangely enough, it has what it calls Restart NSW that has a budget and manages projects. It has quite a large fund—billions of dollars—that runs certain projects. It also plays a role in reviewing the delivery of projects by various departments, which I think strategic projects used to do. Infrastructure New South Wales also manages existing projects. Does the Premier envisage, over time, expanding Infrastructure WA to take on other roles, like those of other infrastructure bodies?

Mr M. McGOWAN: I do not think so. The New South Wales budget is in excess of \$35 million a year, seven times ours and it has a project delivery function. It is acknowledged over there—I think I might have been advised when I had my meeting with the CEO—that that was a conflict between its role to provide independent advice versus project delivery.

Dr M.D. NAHAN: What about the assurance? One of the roles of Infrastructure Western Australia will be to ensure the delivery of plans and to improve quality and collate them. In doing so, it also might have pretty good expertise, independent from the agencies, to undertake an assurance program; that is, to see how projects are being delivered, what lessons they can learn from them, if they are going according to plan and whether there are deviations from them. Strategic projects in Treasury used to do this to some extent, mainly for its own projects. It is a useful role. Does the Premier see this coming in; and, if so, who will do it?

Mr M. McGOWAN: I think it is covered in clause 8(1)(i)

(1) Infrastructure WA's functions are —

...

(i) to review and report to the Premier on completed infrastructure projects;

I think that provides a quality assurance function.

Dr M.D. NAHAN: Clause 8(1)(i) states —

to review and report to the Premier on completed infrastructure projects;

I am not necessarily referring to completed projects but projects underway. My experience is that quality assurance does not necessarily apply at the start or during definition of projects, in the cost-benefit ratio or the identification of its priority. It applies to how projects are carried out by agencies. This assurance activity—I am not sure whether it says to review and report on completed projects—would be done during the operation of projects that have been committed to. It also involves reviewing completed projects. If the Premier believes that part of Infrastructure WA's function is to undertake an assurance program, does he see that occurring on a significant level?

Mr M. McGOWAN: The Department of Finance runs the gateway process, which is a project assurance process, during reconstruction for projects over \$100 million. I think that answers the member.

Dr M.D. NAHAN: That role exists and is selective but the Premier sees it remaining with the Department of Finance?

Mr M. McGOWAN: At this stage, yes, there are no plans to change that.

Mr D.T. REDMAN: The Premier referred me to clause 8(1)(h) when I talked about asset recycling and advice to the Premier on funding and financing. Can the Premier now clarify the extent to which Infrastructure Western Australia can consider matters like asset recycling, which is a broader remit than just the decision around asset investment? It is around the nature of turning that over and getting better infrastructure on the back of perhaps sales of the other infrastructure and as it extends to advice on funding and financing such projects.

Mr M. McGOWAN: Infrastructure WA can provide advice on those matters. It will be free to do that. It will be up to the government whether it accepts it.

Mr D.T. REDMAN: I talked about the nature of private sector investment and opportunities to get off the balance sheet. I agree with the point the Premier made that there are examples of how sometimes that does not work. However, there are also lots of examples where it does. In lots of cases the issue is not so much the thought of what is there but the negotiation with the organisations to land the right deal, particularly when discounts have to be applied over time when governments are playing out and how that changes over time. Is Infrastructure WA intended to also extend its remit into the nature of those negotiations as and when they are happening if we are talking about a project that might be a public-private partnership?

Mr M. McGOWAN: I think off-balance sheet transactions are being caught now by the latest accounting standards and brought to book. That will mean that billions of dollars' worth of those transactions that took place over recent years will be brought into the state's finances and taken account of. That is happening in states across Australia and the commonwealth. Obviously, we will have to back-cast that to see what the impact is, so there is no, if you like, budget benefit of having off-balance transactions. As Premier, I would be very, very careful about

these arrangements because I think there have been some very, very bad examples of how they have worked in recent years in Western Australia. I would, therefore, be reluctant about it. Infrastructure WA can provide advice but it will be up to the government to decide whether it accepts it.

Mr D.T. REDMAN: I would like to move an amendment to clause 8, which is in my name on the notice paper. I move —

Page 8, after line 25 — To insert —

- (4) When performing its functions in a regional context Infrastructure WA must consult the relevant Regional Development Commission for advice on:
 - (a) capacity for the project to unlock economic potential of the region;
 - (b) service equity to regional communities;
 - (c) cultural considerations where appropriate; and
 - (d) other matters as directed by the Premier.

It falls under “Functions” of Infrastructure Western Australia. I guess the Nationals’ view is one of the core issues here. As I highlighted in my second reading contribution, there are issues in regional Western Australia that are quite unique. It is important to add the need to have a local understanding and a local context into the decision-making process around significant investments. In response, the Premier will probably shoot this down and refer to a couple of points under “Functions”. One is in clause 8(2)(b), which states —

the economic, social and environmental value of infrastructure.

I am pretty certain the Premier will say it is all captured under the social aspect. However, I want to make a case for why this is important. We carefully worded this amendment in such a way that the government should be able to support it because it is only about consulting. It seeks to mandate a level of consulting with the regional development commissions in our regions in Western Australia, which have a comprehensive level of knowledge. They have their own investment plans and blueprints for growth in their regions and they will provide a lot of value. Indeed, it was highlighted by the government’s very own member for Bunbury that we should get value from these commissions. He said we should even be formalising that. This amendment provides a way of formalising that argument; the regional development commissions can bring value to this establishment. They do a lot of work in support of why a particular investment should be made and they fit in to the network that sits out in regional Western Australia and the very fabric of those communities.

There is also what we call “service equity”. The Premier said, yes, there may be an argument for catching it under “social” in the broader sense, but I think it goes beyond that. Service equity to regional communities, from health, education and housing services, is an issue we have already established in consideration in detail that is picked up by Infrastructure Western Australia. We are simply asking that Infrastructure WA take the advice of the commissions in assessing the merits of projects. The issue here is that everyone looks through the filter of their own background. There could be a group of 10 people, albeit dominated by six people from outside the public service, from metropolitan Perth. I am pretty certain asset investments, as the Premier has highlighted, will be largely around metropolitan Perth, triggered by Infrastructure Western Australia. We are simply suggesting that one way of providing a viewpoint that captures the unique issues of regional Western Australia is to bring to the table the capacity of the regional development commissions, as situations warrant it, because this captures some of those service issues and, from our perspective, service equity is critically important. The amendment also includes that the commissions are to give advice on cultural considerations. I do not think it is appropriate for cultural considerations to be captured under a broader social banner. A lot of government policies and documents specifically describe cultural considerations and issues as being a unique component of Western Australia and of how we should apply government services and investment decisions. I have been reading about a current example in the Shire of East Pilbara. It is a Mardu cultural knowledge program called—I will struggle to pronounce the name—Kanyirninpa Jukurrpa. It is a case for investment in the Mardu desert community.

Mr P.J. RUNDLE: I would like to hear a bit more from the member for Warren–Blackwood, if I may.

Mr D.T. REDMAN: I make the point that in this case, a very specific initiative is being put up to say that there are some good reasons to invest in housing, schools and a range of other areas, which could be captured as an investment program. We have already highlighted that investment programs are part of the program here—that investment programs that capture the threshold are to be considered by Infrastructure WA. In this case, having a unique cultural understanding will be critical to making the right decision. Again, this amendment is not asking the board to do anything other than seek the advice of the development commissions, and to ensure that included in that advice are cultural considerations, where appropriate. That is not a big ask.

I have been involved, as have other members on this side of this house, in significant investments, particularly in health infrastructure, to service some of the more remote parts of Western Australia. On the whole, they have been captured under broader government investment programs. We know that the housing program sits under the royalties for regions program. I am sure that will have a threshold that will be triggered by the thresholds in this

bill. Again, they are unique investments that need the benefit of advice from people who are close to those areas and, in the case of Aboriginal communities, unique to those particular areas. There are massive differences even within Aboriginal groups in their capacity to access services and to get the benefit of government investment in those services. This is not difficult; this is an addition. It is simply about seeking advice. It would formalise advice from the regional development commissions, which we already have in place.

As I said in my contribution to the second reading debate, the legislative brief of the commissions is to support and promote infrastructure investment to support the growth and development of those regions. It dovetails very nicely. I do not think the bill has enough strength in this area. This amendment simply brings to the table advice from an organisation that the board must consider in making its recommendations. As I have said, even members on the government side argued in their contributions to the second reading debate that this would be a good idea. In fact, it was put up that there is a significant number of Labor members in regional Western Australia. I am sure they would not see an issue with supporting an amendment for the board to seek advice, in a formal sense, from a regional development commission when a piece of infrastructure applies to its region. I do not think that is difficult. It would be great to have the Premier's support. There are sound arguments for it. The National Party has brought this to the table in a very appropriate way. The amendment has not been brought on quickly; the Premier and his agencies have had a chance to look at it. It will hopefully have the Premier's support.

Mr M. McGOWAN: I have a lot of sympathy for consultation with people in the regions about what might be impacting them and what the right decision is for them. The opportunity for consultation exists under clause 13(4) of the bill in relation to the state infrastructure strategy, and under clause 8(3) in the requirement to consult with relevant interested persons. The issue with the member's proposed amendment is that it is very specific to regional development commissions. I could also add in there, which the member alluded to, local governments, chambers of commerce and industry, Indigenous owners, traditional owners, local citizens, landcare groups, non-government organisations, major businesses, hospital boards and P&Cs in those areas. Having said that, how do we pick one of those groups? The member has elevated regional development commissions above the others, but his example involved native title owners. Some regional development commissions may not have great relationships with native title owners, so the member could have easily moved an amendment to the same effect that included native title owners as opposed to regional development commissions.

The other component of the amendment is that it would be difficult to interpret the words "when performing its functions in a regional context". I do not know whether Infrastructure WA would know exactly what is meant by "a regional context". Although I have some sympathy with the amendment, there is an opportunity later in the bill, under the regulation-making capacity, for us to potentially do something more specific to deal with the issue the member has raised.

Mr D.T. REDMAN: I do not agree with the Premier that the regional development commissions have been put on a pedestal and other groups have not. The brief of regional development commissions captures infrastructure. It is in their act. Indeed, they have produced and developed blueprints for investment programs to support the unlocking of potential in the regions that have involved a massive level of consultation with all the groups the Premier just described—the chambers of commerce and industry, local governments and native title groups. They have already captured the benefit of that. This amendment is simply saying that this is a very relevant group that would bring a significant capacity and opportunity to the table to assist the group that is making the decision. To me, the issue here is about the filter that one is looking through. Yes, I am sure we could say that parts of the bill could take that into consideration. People on both sides of the house might have the same objectives but might come up with different answers because of the filter they are looking through. This amendment is putting on the table and formalising a link to advice from a regional organisation that sits under government and that has very specific objectives. These groups engage in a large amount of consultation with their communities to pull together some direction. To me, it would add massive value to what the government is trying to achieve here. It would be really sad if it were overlooked.

Mr M. McGOWAN: I understand and sympathise with the point. The only thing I would say is that it narrows the consultation. If the amendment is agreed to, the Infrastructure WA board could say that it has consulted with the regional development commission, so that is its regional consultation done. I would prefer broader consultation than with just the regional development commission. I would prefer that all those organisations and bodies—local governments, regional CCIs, Indigenous owners, native title owners, citizens, landcare groups, NGOs, major businesses in the regions, hospital boards, P&Cs or whatever it might be—are properly consulted. I would prefer broader consultation than dealing with just one body as the regional consultation organisation. I want everyone to be consulted, not just one body. As the member knows, some regions are the size of Victoria. Some regional development commissions have huge areas to cover. I think it is better that everyone is consulted, rather than just one body.

Mr P.J. RUNDLE: I have been a chairperson of a regional development commission, and the member for Bunbury was the CEO of the South West Development Commission. He certainly pointed out the value of the development commissions. I hear what the Premier is saying about the different groups—the landcare groups, the chambers of commerce et cetera—but the role of regional development commissions is to actually encompass all those groups. Our role, as a board and an executive of the Great Southern Development Commission, was to bring

all those groups together and make sure we were all on the same page. We had many forums, and as the member for Warren–Blackwood has pointed out, the blueprints that covered those nine development commissions cover the whole state from the Kimberley right through to the great southern, the goldfields, Esperance and so forth. Our role was to bring those groups together with good coordination, and I think it fits well with this infrastructure bill. I am very supportive of the amendment from the member for Warren–Blackwood.

Mr M. McGOWAN: I am happy to work with the National Party on an appropriate amendment—perhaps a regulation. I am not making formal commitment to do something, but I bring members back to the central point: if one is put in, the body will say that it has done its consultation in the regions, and that could be counterproductive to what is trying to be achieved here. That is all I am saying. I appreciate that there should be full and proper consideration of regional blueprints and the like, but clause 8(3) says —

When performing its functions Infrastructure WA is, where appropriate and practicable, to consult with relevant interested persons.

That is a broad array of people. Clause 13 states that Infrastructure WA is to undertake public consultation on the proposed strategy. I want everyone consulted, not just a narrowing of who is consulted. That is what I would like to see. As I said, I am happy to continue the discussion, but I do not think it is wise to make an amendment that might be counterproductive to what the member for Warren–Blackwood is trying to achieve.

Dr M.D. NAHAN: Development commissions have been set up in their respective areas to collate the infrastructure needs of that area—across a whole range of areas—and to do something like Infrastructure WA. That is one of their major functions. I would think that the development commissions would be one of the agencies that Infrastructure WA would have to work with and take information from, rather than duplicating their work. That is what I thought would be the case. Therefore, they would be captured in this process, just like Western Power or the Water Corporation. Infrastructure WA would be required to take the data, information and strategic asset development plans of the development commissions and incorporate them into its planning. Therefore, those agencies would, almost by definition because of their function established by government, be the major conduit of information for Infrastructure WA for their respective areas. Yes, it is obvious that dialogue is wanted with everybody, and that is what they do. That is why they were established. The Water Corporation is going to put a whole bunch of strategic asset plans to Infrastructure WA, and the government wants to duplicate the dialogue it has with everybody under the sun involved in its industry, which would be absolutely impossible. I think development commissions are a necessity and would have major input into the strategic asset plans of their respective areas.

Mr M. McGOWAN: When the member said that he thought they would be consulted, yes, they will be consulted; that would clearly occur. I repeat: if one is named, others could potentially be excluded. I would like to see everyone in the regions consulted—local MPs, major businesses, major utilities, Horizon Power, Busselton Water or whatever it might be. I would like to see a broader consultation than with just one body. That is what I am saying. By picking one, it is implied that that it solves the consultation issue. It does not. There should be more than just one.

Mr D.T. REDMAN: There are two areas in this bill the Premier is citing as being sufficient to write off this amendment. One is clause 8(3) on page 8, which says —

When performing its functions Infrastructure WA is, where appropriate and practicable, to consult with relevant interested persons.

Who is sitting around the table making the call of where it is appropriate and practicable? It is a group of four government agency people and six others, presumably like Mr Langoulant, who is now going to be the initial chair, who have a massive interest in what happens in metropolitan Perth. They are going to be making the call on whether we should or should not talk to relevant groups out there. That is the issue. The other point in clause 13 refers to public consultation on what is a proposed strategy. The strategy is already written up and on the table, and we are saying, “Here it is. Give us your comments on that now.” It does not talk about elements of cultural consideration around investments, service equity to regional Western Australians or those things that might be nice and neat little triggers that unlock other opportunities that people sitting in Perth might not be aware of. There is nothing here that formally drives the level of influence on the unique understandings that have to happen in regional Western Australia. In our statute book, we have an organisation that captures that beautifully. It has been there for a long, long time and it is part of our fabric of government in Western Australia. The Premier has supported royalties for regions and the maintenance of those commissions and said that he is not going to take them away. Here we have an opportunity to simply seek their advice. That means the decision-making of the handful of people who sit around a table in Perth is not limited to the filter they put over it and the viewpoint they have. That is a viewpoint of those sitting on St Georges Terrace; it is not a viewpoint that will necessarily be shared by those sitting in the Kimberley, the Pilbara, remote regional Western Australia, the south west or the south east. It is not necessarily a viewpoint by those people, yet investments happen in those areas. Why would we not capture the organisation that exists that has done the work? It has captured all those groups. It is also aware of the cultural nuances out there—in the Pilbara in particular. Depending on which groups we talk to, there are varying relationships that exist out there. That is massively difficult to navigate, yet someone could be sitting in Perth and saying that they are going to do something because

they think they know best. There is nothing that forces their hand to get advice from someone or a group able to provide the right advice to put the unique aspects of the region on the table. The commissions have that. The point is that it is not about what is written in the bill, but about the viewpoint that the people making the decisions will be seeing things from. There is nothing in the bill that forces their hand to go beyond that viewpoint. We have an opportunity to do it—to get the formal benefit of advice. That is all it is. The Premier has said in response to our questions about Infrastructure Western Australia that it will be advising government, not making decisions. In the same theme, in the same spirit, we are saying that these bodies could advise Infrastructure Western Australia about the nuances that could be out there that could massively impact upon service delivery and cultural considerations, as sensitive as they are in various areas of Western Australia, and investments that dovetail into myriad other activities, particularly in the private sector and parts of our state that are driving our economy. If we do not get the benefit of that, I think we will be missing out. That was the very point made by the government's member for Bunbury when he made his contribution to the second reading debate and it should be supported.

Mr M. McGOWAN: We are not going support the amendment. I sympathise with the sentiment, but I am not going to amend the bill on the run with a subclause that, in my view, will limit the consultation in the regions. We are happy to consult the member about an amendment that might achieve the outcomes he seeks, but not this amendment, because this amendment, as I have now said four times, could limit the consultation in the regions to one group—that is, the development commission. We are not going to support it. But there may be other amendments, and I am happy to work with the member. He can keep talking about the amendment, but I will stop responding now, because I have explained that we will go away and work on something that might meet the sentiment of what he is trying to achieve without the downside of limiting the consultation to one group and ignore local governments, native title holders, regional businesses, regional utilities and the like, and therefore sending a message that all those groups are not important, which is what the member's amendment could potentially do.

Mr W.R. MARMION: I have sat here listening to the Premier and I do not understand his problem. The amendment will not limit consultation at all. All it will do —

Mr D.R. Michael: He's making sense.

Mr W.R. MARMION: I do not really want interjections, Mr Speaker, but the Premier is not making sense at all. The amendment will lock in something that someone as competent as John Langoulant would do anyway. We would actually be telling someone like John Langoulant to do something he is going to do anyway. The Premier's sell is that he does not want a clause that limits consultation. I do not read this amendment as limiting consultation. The amendment states —

When performing its functions in a regional context Infrastructure WA must consult the relevant Regional Development Commission for advice ...

What is wrong with that? He would do it anyway. He would be an absolute idiot to not go to the commissions; they have done all the work. Consulting regional development commissions does not mean that no-one else in the region can be consulted. The amendment does not say that at all. The Premier is a smart and logical man—he is a lawyer. I cannot make any sense of his logic. There is nothing wrong with this amendment.

Mr D.T. REDMAN: The last comments the Premier made have gone to the nub of what we are chasing—that is, a legislative amendment. I was not satisfied with a regulatory opportunity to capture the points that we are trying to make. The Premier has offered to negotiate with the Nationals WA to get an appropriate amendment that will capture the theme that we are trying to put into the core of the bill. That is important from our perspective. I recognise that in opposition it is not easy to get the language and wording of amendments right. I am sure that with the benefit of agencies and parliamentary counsel, we will achieve that. Certainly, the Nationals will engage in that process in a very constructive way because it is an important provision to consider.

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

INFRASTRUCTURE WESTERN AUSTRALIA BILL 2019

As to Third Reading — Suspension of Standing Orders — Notice of Motion

By leave, **Mr D.A. Templeman (Leader of the House)** gave notice that at the next sitting of the house he would move —

That so much of standing orders be suspended as is necessary to enable the third reading of the Infrastructure Western Australia Bill 2019 to proceed forthwith following consideration in detail.

ADJOURNMENT OF THE HOUSE

Special

On motion without notice by **Mr D.A. Templeman (Leader of the House)**, resolved —

That the house at its rising adjourn until Tuesday, 7 May 2019, at 2.00 pm.

House adjourned at 5.23 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

TRANSPORT — PRINCIPAL SHARED PATH NETWORK**4497. Mr P.A. Katsambanis to the Minister for Transport; Planning:**

I refer the Minister to Principal Shared Paths (PSP) and ask:

- (a) For each year from and including 2013, how much money was spent by the Department of Transport and/or Main Roads WA on PSPs in Perth;
- (b) For the Mitchell Freeway widening works between Cedric Street and Vincent Street, will there be an upgrade of the existing PSP or introduction of a new PSP aligned with the freeway;
- (c) If yes to the above, how much is budgeted for upgrading the existing PSP or introducing a new PSP aligned with the freeway; and
- (d) If yes to the above, how many kilometres of PSP will be upgraded or introduced?

Ms R. Saffioti replied:

- (a) 2012–13: \$5,488,337; 2013–14: \$12,300,699; 2014–15: \$9,869,680; 2015–16: \$17,931,698; 2016–17: \$12,894,285; 2017–18: \$25,964,534
 - (b)–(d) \$19 million will be spent on 2.16 kilometres of new PSP, to connect to the existing PSP between Glendalough Station and Hutton Street.
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