

Hon Peter Foster; Hon Neil Thomson; Hon Sandra Carr; Hon Dr Steve Thomas; Hon Alannah MacTiernan; Hon Shelley Payne; Hon Kyle McGinn

ECONOMIC DEVELOPMENT — REGIONS

Motion

HON PETER FOSTER (Mining and Pastoral) [11.45 am] — without notice: I move —

That this house commends the McGowan Labor government for its record investment into regional Western Australia and its commitment to regional jobs, industry and businesses through the 2021–22 budget, the COVID-19 \$5.5 billion recovery fund, and the regional economic development grants.

As has often been said in this house, Labor is the party of regional Western Australia. We also often hear in this place that the McGowan Labor government is metro-centric and ignores regional WA. Interestingly, I note that the “metrodebt” stickers have disappeared from our WA Nationals colleagues’ vehicles this week. I stand here proudly before you all as a regional member of the McGowan Labor government that has made record investment right across regional WA. With this motion, I commend the McGowan Labor government for its commitment to regional jobs, industry and businesses through the 2021 budget, the \$5.5 billion COVID recovery fund and through our economic regional development grants. As we have heard today, the pandemic is not over, and that is why it is important that our government continues to invest right across Western Australia, and, more importantly, into our regions in a targeted fashion to support local jobs, industry and businesses to restart, develop and grow, creating a pipeline of work.

The McGowan government’s WA recovery plan has provided —

Point of Order

Hon NEIL THOMSON: I refer to standing order 37. I cannot tell for sure, but it would appear that the honourable member is reading his speech. If he is, I ask that the speech be tabled.

Several members interjected.

The ACTING PRESIDENT: Members, when the Acting President is deliberating on a point of order, it is my thinking time, not your chatting time. In my view, there is no point of order. The member is simply using his own personal notes.

Debate Resumed

Hon PETER FOSTER: Thank you, Acting President. We have limited time available and we are rolling out quite a large number of projects across regional WA. I will do my best to keep my eyes up and run through the list of projects.

Our government is investing in tourism right across regional WA, including in the \$7 million Carnarvon fascine project. That has been mentioned quite a lot in this place. The \$7 million that has been committed is allocated to finalising and implementing a long-term plan for the future. Access issues to the fascine have been ongoing for a very long time—prior to our term of government—and this government understands how important it is to access the water for locals and tourists alike. The government is working collaboratively with the Shire of Carnarvon, the Gascoyne Development Commission, the Department of Transport and the Carnarvon Yacht Club to solve this long-term problem. I was in Carnarvon a few weeks ago for Carnarvon Windfest. I know that Carnarvon Yacht Club in particular is very excited to see that our government is pushing this project forward.

We have also committed \$6 million through the aviation recovery program and \$3 million through the regional aviation support program to ensure affordable airfares and a minimal level of service for flights into the Gascoyne region, particularly Carnarvon and Monkey Mia, through a collaboration between our government and Rex Airlines. As I said, I have travelled to Carnarvon on Rex many times on parliamentary business and can happily report to the house that services are well frequented by locals and tourists alike, who are grateful for the actions taken by our government to keep the airfares affordable.

We have also committed \$1.3 million for the redevelopment of the Tantabiddi boat ramp in Exmouth. That money is going towards detailed environmental cultural heritage surveys and coastal engineering investigations. The Shire of Exmouth is very pleased to see this project supported by government. In addition, through the plan we have committed \$14 million for the widening of Minilya–Exmouth Road. Construction of that road is well underway. I have also travelled that road recently and can vouch that the work is definitely underway and the road is much wider and safer for tourists and locals alike.

As we all know, Exmouth is a very popular tourist destination. Next year a rare event will occur—the total solar eclipse—which is expected to pass the cape in April 2023. I know there has been commentary that our government is not assisting. Yes, we are. We have been working with Tourism WA and the Shire of Exmouth to prepare the community for the influx of visitors who are expected next year. By upgrading this road, tourists will be able to travel safely to Exmouth. If people have not booked their accommodation for this event, I encourage them to do so now because there is very little left.

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We have also committed a number of investments in the Pilbara, including for the upgrading of a number of schools through the recovery fund. We allocated \$42 million towards the redevelopment of Roebourne District High School. I recall from a media statement put out earlier this year that an architect has been appointed to that project, so it is well underway. We also committed \$22 million to upgrade Karratha Senior High School. It is important to note this one, because as we have seen, more and more people are moving to the regions. As a result, the high school needs to expand. Its enrolment numbers are up and it needs more buildings to accommodate additional students. We have also allocated \$4 million towards a residential facility at Newman Senior High School, so that Martu people who travel from the desert into town can stay near the school, which will encourage attendance. All these education projects will generate local jobs and support regional towns and businesses.

Another tourism project that I am quite proud to talk about concerns Karijini National Park, which has been allocated \$1 million through the recovery fund. This funding will be used to address some access issues at the Fortescue Falls lookout and upgrade the visitor facilities at Dales Gorge campground. As we were saying yesterday, Karijini National Park is home of the Banjima people. It is an ancient and beautiful place that is frequented by many tourists. From talking to the Tom Price tourist centre, I found out that tourist numbers are on the rise, which is great. That is putting a bit of pressure on our accommodation in town—we get people camping on the side of the road because they cannot secure accommodation—but it is great to see that we are getting lots of tourists coming into our inland towns as they support local businesses and create local jobs.

As I said, there is plenty of investments to talk about under the recovery fund, but I know that my time is ticking away. I want to talk about some of the projects contained within the 2021–22 state budget specific to the Gascoyne and the Pilbara, where I am based most of the time. I want to make very clear to members that the record investment for regional WA contained in the 2021–22 state budget was \$9.1 billion. That budget committed \$9.1 billion to regional Western Australia! We are often told by the opposition that our government is metro-centric and that it is focused on Metronet projects and the like. I am here to dispel that myth today. We are spending an immense amount of money in regional WA. The funding through the budget will deliver a strong and vibrant Western Australia. As I have already talked about, Karratha is experiencing a population boom. More and more people are moving to the regions.

Noting the time, I want to talk about a few projects in particular. There was \$363.9 million allocated in the budget to Pilbara ports, spread across the port of Port Hedland and the port of Ashburton in Onslow. These upgrades will enable more users of those facilities. For those who are unaware, Onslow is really steaming ahead. I challenge members to go and take a look. There are more gas operations off the coast, and a new salt provider and the Onslow marine supply base are moving in. The shire recently built a large tip to take industrial waste from those ships. There is a lot of activity happening in Onslow, which is being supported by our government.

We have been talking about investments in tourism. A couple of important ones that I want to touch on are the additional \$16 million to improve facilities at Karijini National Park and \$10 million to upgrade facilities at Mount Augustus in the Shire of Upper Gascoyne. Unfortunately, that mountain has been in the news for some sad reasons as a few tourists have died while climbing the mountain, but I hope that these new facilities will make it much safer. We also put \$3.5 million towards the Gwoonwardu Mia Aboriginal cultural centre in Carnarvon. If members have not visited the cultural centre, I encourage them to do so. It is a great facility that employs local people. It has a cafe and a gift shop, and conferences are run there, including a recent International Women's Day conference hosted by Cherie Sibosado. It is great to see that that facility is well utilised. We also committed \$5 million towards Conzinc Bay in Murujuga National Park to increase tourist facilities in that part of the world. It is supported by the City of Karratha. It is great that our government is able to work with the City of Karratha to increase tourism amenity in that area.

In the four-odd minutes I have remaining, I want to talk about the regional economic development grants that have been underway for a couple of years now. The grants were originally to be spaced over seven years. These projects look at ways in which our government can partner with small business and industry to diversify and grow local jobs. Just looking at the figures for the first three rounds of the RED grants, a total of \$20.7 million was invested over 222 projects. Along with that \$20.7 million, \$83.51 million was co-contributed by other sources. It is great to see that our RED grants not only directly support businesses but also enable businesses to leverage other funds to make those projects and jobs even greater. It is estimated that these investments have created over 2 500 new jobs for regional WA. That is something that we should celebrate—an additional 2 500 jobs in regional WA.

The minister recently announced the successful recipients of round 4 of the regional economic development grants, and I will quickly touch on those before my time runs out. The Town of Port Hedland received a grant for \$97 000 to install a business fibre zone—basically internet—to its business centre and airport precinct. Kingsford Smith Business Park is a fully serviced and easily accessible bulky goods and light industrial precinct located near the airport. This facility is conveniently placed and these funds will ensure that its users have access to high quality internet. Of course, that will contribute to bringing more businesses and jobs to Port Hedland.

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Woodbines Enterprises in Karratha was another successful recipient, receiving \$100 000 towards its tender relief program. This grant enabled the company to leverage an additional \$180 000. The aim of this project is to develop an online application for tender submissions to ensure that local contractors have a better opportunity to tender for, and secure work on, local projects. I think this is a great project that our government is supporting through the RED grants.

I also want to talk about Kuarlu Marine Charters in Onslow—I have talked a lot about Onslow today! It is another local success story in the north west. It was awarded a grant of \$250 000, with \$175 000 leveraged from other sources. This \$425 000 project will extend its charter capacity into Onslow. As I said, Onslow is moving forward. The shire, in particular, has invested a lot of money into improving amenities in Onslow. There is a new shire administration centre, a new swimming pool, the basketball courts were upgraded and Ocean View Caravan Park was upgraded. There are lots of new facilities in Onslow and, in turn, more tourists are coming to Onslow. It is great that our government is able to support this tourism business for the expected influx of tourists.

I will quickly talk about two final ones. Weerianna Street Media in Roebourne received a grant of \$110 000 to establish an online streaming service for Indigenous media content. I think it is great that we will have an organisation in Roebourne that will potentially stream Indigenous media online. Darryl Corps Family Trust in Karratha also received \$150 000 towards earthmoving virtual reality simulators to upskill local workers, who will be able to work on the local projects in the Pilbara that I have outlined. Noting the time, I will have no time to talk about the Gascoyne RED grants, but I am sure one of my colleagues may have that opportunity.

In summary, I know that my motion is broad, but it highlights just how massive the McGowan government's record-breaking investment in regional WA is and how committed our government is to regional WA. As I said, \$9.1 billion was invested in our regions under the 2021–22 state budget. In closing, I commend the Labor government.

HON SANDRA CARR (Agricultural) [12 noon]: It gives me great pleasure today to stand in support of Hon Peter Foster's motion. It is an excellent motion, and it is a great opportunity to celebrate some of the significant investment that the McGowan government has made in the regions. As Hon Peter Foster pointed out, it is also a great opportunity to dispel some of the myths that have been perpetuated by some of those across the room that the McGowan government does not spend in the regions, because indeed it does, and the discussion that we will hear today will certainly support and provide evidence of that.

As Hon Peter Foster mentioned, in the 2021–22 state budget, a \$9.1 billion investment was made in regional infrastructure, with only nine per cent of that coming from royalties for regions. An amount of \$4.2 billion has been allocated to royalties for regions over the next four years—that is, \$4.2 billion for royalties for regions. I say that again because honourable members across the room have done a significant job of hoodwinking regional people that they are not still getting their royalties for regions. I think it is important that we emphasise the significance and the sheer volume of spend that is happening in our regions just to remind people that sometimes members across the floor are a little loose with the truth. On top of that, we are also investing in health, education, policing and other key services. We have a strong plan for investing in the Agricultural Region in particular, which is my region that I represent, to make sure that our economy and our communities remain robust and thriving. The McGowan government is building strong communities. We went into this election with the promise of keeping WA safe and strong, and that is indeed what we have done. We heard earlier today about the great safety that we have provided to the community in the instance of the global pandemic. The strength that we are providing to the community is in this investment that we are continuing to provide for the regions.

I will talk a little about the regional economic development grants. Last year, I had an opportunity to speak about RED grants in the community. I spoke about investment into a couple of businesses in the midwest, one being Illegal Tender Rum Co based in Dongara. It continues to thrive, having had that RED grant invested into the business. Recently, it produced an Abrolhos gin to support a food festival in the midwest. It continues to develop and grow in confidence, being able to produce and deliver new products for the community. I know that product has gone down very well because I have gifted it to friends throughout the agricultural region and beyond, and now people have asked me where they can get it from. They thought it was a fantastic product. I give full credit to Illegal Tender Rum Co for embracing the opportunity that the RED grant provided to it and continuing to grow and develop its business and turn it into something significant on a global scale in an important economy, which is the gin economy—one that I fully support!

The other business that I mentioned last time was JMH Group in Geraldton, a group that received a RED grant to provide some brake testing facilities. One of the great things about that investment that the McGowan government made into the JMH Group in Geraldton is that this is an employer, a small family business, that began in Perenjori. It continues to grow and develop into a big, thriving and still very family based business—not in that it is small, because it is becoming a big and significant employer now, but in that it brings that family ethos into the business. That shows that true regional community employer ideology. It looks after its employees. It celebrates the

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achievements of its employees and elevates them by providing opportunities for career growth and development. Alongside JMH owner, Jaydon Hirst, is his partner Leah Hirst, who continues to utilise the opportunities that the RED grant provided her. Part of the RED grant for her was connecting with the Mid West Development Commission and the Mid West Chamber of Commerce and Industry to build her application for the grant. As part of that, she has built some significant networks in the community and has become quite a leader. She is a young dynamic woman. She is a very tiny woman, but incredibly dynamic, and she asks really important questions of the community and continues to adopt leadership roles. She credits the opportunity of having to go through the process of applying for a RED grant with building her capacity as a business owner and leader.

Some of the more recent RED grants include one to Fenix–Newhaul, with \$250 000 to allow it to invest in a world-leading truck simulator. This is an Australia-first truck simulator, and it allows Fenix–Newhaul to train new road train drivers in a much safer and more efficient way. Anyone travelling the roads around Geraldton will be aware that there is an ever-increasing number of road trains and a growing amount of industry throughout the midwest region. Those truck drivers are particularly important to us, and it is really important that they are highly skilled and can be on our roads in a safe way. We know we need those truck drivers because the Fenix–Newhaul website today is advertising for 70 new truck drivers. That investment we are placing into businesses in our community is particularly important. Fenix–Newhaul annually transports 1.3 million tonnes of high-grade ore to the Geraldton port. It needs those drivers, and we need them to be safe and well trained on the roads. That is exactly what that grant provides for.

Another grant that the McGowan government has recently provided is to the Wajarri Yamaji Aboriginal Corporation. The honourable member across the floor, Hon Dr Steve Thomas, mentioned that he did not really think it was that important that we promote tourism in a global pandemic. However, I strongly disagree. It is all part of building strength and resilience.

Hon Dr Steve Thomas interjected.

Hon SANDRA CARR: He said it was not important. This grant is particularly important in that it encourages tourism and it encourages people into the community, but more than that, this particular RED grant is about cultural tourism. It provides Aboriginal-driven industry in the community, with its deep-seated connection to the land. It shares that respect and the spiritual significance of the land with the community. That has a manyfold benefit in that it adds value to the Wajarri Yamaji Aboriginal Corporation and also benefits the broader community's own cultural understanding and appreciation of what the full range of our diversity brings to it.

Lastly, I will mention Nufab Industries. It has been given a RED grant for \$146 700. It was founded in Dongara in Western Australia, and produces its own parts for market-leading farm machinery. The agricultural region relies very heavily on farm machinery. Having that machinery made in our region on the ground and readily accessible is particularly important. This season we have had a bumper harvest season and we need those parts and pieces of machinery ready to go to deliver the crop to the ports and have it exported efficiently. Nufab is part of that whole mechanism in the big picture of what allows that to happen.

I will lastly mention some investment in training and education because, yes, it is fantastic to have all of these businesses, but we also need to provide staff for those businesses. In our regions, there have been some complications in staffing. One of the ways the McGowan government has addressed this is to ensure that training and education is being delivered in all the right places. Since we have done the local skills program in TAFE, there has been a 22 per cent increase in enrolments in the wheatbelt alone. That a fantastic indication of the embracing and picking up of those opportunities. We build skills and capacities and have people job-ready to take up those places. We are also investing in vocational education and training.

Another way that we are investing in building capacity is through our year 9 career taster program. This government has invested \$19.2 million into that crucial program. I have always advocated getting young people at an early stage to experience what career opportunities are out there. This program allows them to get direct on-the-ground experience and to start to get themselves job-ready and aware of the genuine career opportunities that are out there, rather than hitting the end of their academic career and blindly trying to find their way into a career. We have careers ready and waiting for them and we can train them now.

HON DR STEVE THOMAS (South West — Leader of the Opposition) [12.10 pm]: I was happy to drop down the list a little bit, Acting President, but that is okay. I will take the opportunity to respond to Hon Sandra Carr's comments and add a few extra ones. I would be intrigued to see where she has quoted me from saying that interstate and international tourism advertising does not matter. I think that is what she said and she named me specifically. I would be interested to see precisely what quote she comes up with for that one.

Let us have a look at the motion before the house. I appreciate Hon Peter Foster moving the motion for the day that commends the government for the amount of money it is putting into regional areas. I do not know whether the member has calculated the entire investment in regional WA, but if he has, I hope that he has taken off the

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trans-subsidisation of the royalties for region fund as part of his calculation. It is very easy for a government to say that it is going to put in additional billions of dollars into regional Western Australia when it has taken billions of dollars out of the regional fund—the primary fund for regional Western Australia.

I note that Hon Sandra Carr introduced this topic of discussion so I thought it would be a good opportunity to have another discussion about one of my favourite topics—the government’s intent to strip funding from the royalties for regions fund, the primary fund for regional Western Australia, using the process that I call trans-subsidisation, but the department often refers to as substitution. Let me explain what substitution is because members might not be aware. Substitution is when funds or costings that would normally have come from the consolidated fund or a separate departmental budget for the normal operations of government are taken out of the royalties for regions fund. This strips the royalties for regions fund of moneys that would have gone to other things. There are lots of examples of this such as the subsidies around water costing and the equalisation of water, which has always come from the consolidated fund via the Department of Water and Environmental Regulation, but now it comes through royalties for regions—at least in part. The government has had to cut it back a bit and we will get to that in a minute. It has put in regional school buses, which has always been a Department of Transport issue. Millions of dollars are now coming out of royalties for regions that were in the Department of Transport. What is the transfer rate, the trans-subsidisation, the substitutions, if you will—I know the minister is very sensitive about the nomenclature on this. The Premier has apparently banned the word “substitution” in his office —

Hon Alannah MacTiernan interjected.

Hon Dr STEVE THOMAS: No, no, no—the old trans-subsidisation. How much is that now? It is getting close to \$700 million a year. It is a massive amount of money.

Hon Alannah MacTiernan interjected.

The ACTING PRESIDENT (Hon Jackie Jarvis): Members! Can you please cease the cross-chamber chitchat perhaps and direct comments to the chair.

Hon Dr STEVE THOMAS: As you wish, Acting President. The minister and I have fairly robust debates and I most appreciate them, but I will concentrate my comments to you, Acting President, at your request.

Hon Alannah MacTiernan: Just so that I can prepare my answer, do you want us to include those things that you included in —

Hon Dr STEVE THOMAS: Absolutely. If the minister would like me to give her a list of things that I think she should take out, I am more than happy to do that, but by all means keep the regional development commissions in there because in terms of an operating budget, that is not a lot of money anyway.

Let us have a look, members, at the \$600 million to \$700 million that the Labor government has dragged out of royalties for regions in a process of trans-subsidisation so that it can claim to have put hundreds of millions of dollars back into the regions. This is an accounting trick. I feel like I am watching one of those magic-with-cards television shows and this government is congratulating itself. It is like the chase-the-ace card game —

A member interjected.

Hon Dr STEVE THOMAS: Look at this! Here we go. It is a sensitive subject, Acting President, and why they are a bit fractious today. When you kick a bruise, you tend to get the loudest cries; that is the problem.

What has this government done? It has taken billions of dollars out of the regions and it has put billions of dollars back into other funds and it is congratulating itself for it. This is a great motion if only because it is absolutely hilarious. The government takes the money out of this hand and puts it into that hand and says, “How wonderful are we?”

Hon Alannah MacTiernan: No, you’ve totally missed the point.

Hon Dr STEVE THOMAS: I do not think I have. I think that that is exactly the point. Well done on the government’s investment in the regions. There are some good investments in there. One of the issues around the royalties for regions fund—I have enormous sympathy with my good friend the Minister for Regional Development on this being a bit isolated within the cabinet and not on the Expenditure Review Committee—is that the minister has lost a lot of control over what happens with royalties for regions. She has to fund all these slightly crazy, sometimes election commitments out of it as well. She has managed to pull a bit of that back, which is great. The Minister for Regional Development and I agree on lots of stuff. At the 2017 election, tens of millions of dollars were committed to a solar farm and a biomass plant around Collie, neither of which were good investments. I think that the minister and I were in furious agreement on that. What happened? I went out publicly, as I often do—a heart on my sleeve job—and said, “I think these are duds.” The minister could not quite bring herself to agree with me publicly, but guess what happened? She pulled the money back in because they were duds.

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Hon Alannah MacTiernan interjected.

Hon Dr STEVE THOMAS: They were duds, which is great. Well done, minister. That was \$60 million she did not completely waste. I wish I could apply that across the board for everything that the Labor Party does. I am happy to give the Labor Party credit: there you go, minister; well done. That was \$60 million she did not waste and flush down the toilet. That is fantastic. Well done! We could make this political and I could mention projects that would probably get the minister a bit fired up.

Hon Alannah MacTiernan: Like what?

Hon Dr STEVE THOMAS: Let us go to the Carnegie Wave Energy project and a few others. We could talk about some of those things if she likes, but let us concentrate on the motion because I have a very short period of time in which to respond on behalf of the opposition and we cannot waste it.

What is happening? The Labor Party takes money out with one hand, puts it back with the other hand and congratulates itself in the process. I think that regional Western Australians are smart enough to understand what is happening. They are not falling for the sleight of hand. They understand exactly what the Labor Party is doing. I am sure that they appreciate it when the government rolls money into projects. I am sure that a raft of Labor members will discuss the projects that they are going to put in place. Some of those projects will be great and we will probably support them, but, as I have done previously with this minister, I may suggest that some of them are duds and that the government should put its money elsewhere. I am happy to go through that process, but the government should be a bit cautious before it congratulates itself on this massive amount of money that it is investing.

I am going to run out of time so I will raise this one issue. Standard and Poor's this week put out a statement on the state of the finances in Western Australia. It was interesting to note the Premier's response. He put out a media release saying, "It's wonderful. Standard and Poor's are congratulating us on our financial management." That is not entirely what Standard and Poor's said, and this is important to this debate. In the Standard and Poor's response, time after time it referenced massive increases in revenue. Guess what, members? Not only have we got this transference in royalties for regions, but this government is doing well because it has more money than any government has had in the past. This government has more money not because of its management, but because of its massive revenues. Standard and Poor's referenced booster revenue collections and a favourable distribution of federal grants. It states —

We expect the price of iron ore, Western Australia's most important export, to be higher than assumed in the state's budget.

It is currently valued at \$US150 per tonne, but Standard and Poor's assume a price of \$US130 per tonne this year. It continues —

The state is benefitting from strong royalty revenues and growth in tax receipts.

It also refers to duties and payroll taxes and says that this state is making a motza, which is not what the Premier said. The Premier said, "This is all our good financial management." I tell you what; when it rains gold upon the government, it is very easy to claim good financial management and it is very easy to transfer some of that into the regions and well done for doing so—for the bit that the government has done, that is great. Well done. But I would be a bit cautious about congratulating yourselves, particularly during the debate on motions such as this one, because there has been a fair bit of luck and some activity. I think the government should be a bit more thankful and crow about it, perhaps, just a little bit less.

HON ALANNAH MacTIERNAN (South West — Minister for Regional Development) [12.20 pm]: I thank Hon Peter Foster for moving this motion and Hon Sandra Carr for talking with such passion—both of them, in fact, talked about projects that are delivering globally with passion. Our support of small and medium-sized businesses in the region is without parallel. I feel that I have to address some of the comments made by Hon Dr Steve Thomas, the Leader of the Opposition, because he is living in the past. His whole analysis fails to accept that we have moved on in funding allocations and the way we fund the regions. As an erstwhile opponent of our RforR, he might be pleased to know that the RforR fund now represents only a small proportion of the investment that this government is making in regional Western Australia. Okay; there are items that go in and out, as happened with the previous Liberal–National government as it balanced the books. Items would come in RforR, such as the funding of development commissions and government agencies and, towards the end, the funding of schools. There has also been a bit of leeway as to what goes in and what goes out. But what is really critical here is that we understand that the majority of our funding and investment in infrastructure and projects across the regions now comes out of the consolidated fund. Although we have preserved the RforR component of the budget and kept the same principles that were at play under the Barnett government, such as spending limits within that fund, we have maintained the integrity of the fund. But that is, in fact, only a proportion of what is spent. At this stage, what we are spending from the consolidated account in the regions far outweighs what is being spent under RforR. The Leader of the Opposition is still running up the flag of RforR. The regional infrastructure spend in the budget was \$9.1 billion. In our last budget, \$9.1 billion

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was invested in infrastructure and only nine per cent of that came from the RforR fund; the rest of it was in the consolidated account. The Leader of the Opposition can continue to rail and say, “You’re putting this in the RforR fund and you’re taking that out” but let us look at the global expenditure that we are making in regional infrastructure because that expenditure far eclipses anything done by the previous Liberal–National government. Although we say that RforR is an important component—certainly we fund projects such as the regional economic development grants from RforR—RforR is no longer the full story of investment in our regions. The Leader of the Opposition can keep flogging his dead horse, but we have moved on.

I want to address a couple of other comments made by the Leader of the Opposition. He said that it is easy to get a great rating during economic boom times. I take members back to the Barnett government. It had extraordinary boom times yet, nevertheless, notwithstanding that, it managed to lose our AAA credit rating and drive this state into debt and very difficult economic circumstances so, please, just have a look at what the Liberal–National government presided over for the bulk of the time that it was in office and also look at its economic performance. Certainly in our first two or three years in government in particular, we had to rebuild that and rebuild it we did. The Leader of the Opposition should not forget that when his party came into government, for the vast proportion of that time it was in receipt of incredible royalties and, notwithstanding that, it was not able to manage the budget.

Hon Dr Steve Thomas: I wasn’t there anyway.

Hon ALANNAH MacTIERNAN: But you were talking about government and government performance and you said that it was easy to balance the budget when there is an iron ore boom. The former Liberal–National government had an iron ore boom and it did not manage it. Of course, we are going to celebrate the fact that we repaired the finances. We acknowledge that we have received royalties, but we not going to be leaving government any time soon and, when we do, we certainly will not be leaving books in the parlous state that the former government did, notwithstanding its opportunities.

A member interjected.

Hon ALANNAH MacTIERNAN: Yes, we are the big regional party in this house.

We have had some great projects. I will pick out a couple of projects that have been funded by regional economic development grants. One of the really interesting things about this diversification is enabling work that would normally come to Perth to stay in the regions. This is one of the really interesting projects. A number of companies have relocated from Perth to the regions because of the assistance that they could get. Recently, Aspect Modular relocated the development of its modular housing business from Perth to Denmark because of the opportunities that were there. The government grant was the thing that tipped the balance in favour of it making the decision to take the building of its innovative, beautiful and creative modular homes to Denmark. Hon Sandra Carr talked about JMH Group’s vehicle testing project. No longer do those vehicles have to come down to Perth for testing. We were able to intercept a lot of the work that was coming to Perth, particularly from the Pilbara. We have been building on that project. In the goldfields, there is a \$195 000 grant for the non-destructive testing project to put in place a whole raft of equipment and really expand the workforce locally. It means that these items of equipment will not need to be sent down to Perth for non-destructive testing; it can be done in the goldfields, creating more jobs and diversity there and, of course, reducing the cost of doing business in the goldfields. In the time I have left, I will give a special shout-out to Bruce Rock Engineering—an amazing company that shows what can be done in the regions.

HON SHELLEY PAYNE (Agricultural) [12.30 pm]: I thank Hon Peter Foster for bringing this motion today so we can talk about the investments the McGowan government is making in the regions. The first thing I want to talk about is roadworks. I will set the scene. If you are like me, you have been living in the regions for the past 20 years. Over that time, you would have usually had Liberal federal members of Parliament—maybe sometimes a National—who really have not done a good job at bringing federal money in for roadworks in the regions. Your state member would usually be a National who would similarly have not done a good job of bringing money in for roadworks in the regions. Hallelujah—here comes the McGowan Labor government in 2017!

I have been driving around regional roads from Esperance to Perth and everywhere in between for 20 years, and the roads have always been the same. You try to pass trucks, you have kids in the car and there are no hard shoulders on the roads. It is very dangerous. All of a sudden, in 2017, here comes all these roadworks, and you have to start thinking, “Gosh, I’ve got to leave time to allow for roadworks.” Just last weekend I went to Katanning and I was actually late for my first appointment because of the number of times I had to stop on Albany Highway because of all the amazing roadworks. This is fantastic. It makes a huge difference to people in the regions to have better and safer roads.

This year there will be \$4.5 billion going into the regions to create road projects and safety programs. This includes \$187 million for the wheatbelt secondary freight route; \$15.5 million for shoulder sealing and audible edge lines, which will cover more than 140 kilometres of the Great Southern Highway and the South Coast Highway; and

Hon Peter Foster; Hon Neil Thomson; Hon Sandra Carr; Hon Dr Steve Thomas; Hon Alannah MacTiernan; Hon Shelley Payne; Hon Kyle McGinn

\$79 million for road safety treatments on more than 850 kilometres of wheatbelt roads. This is a really huge investment that will make a big difference for people in the regions.

A member interjected.

Hon SHELLEY PAYNE: This is \$4.5 billion from the state budget, yes.

Several members interjected.

The ACTING PRESIDENT: Members, Hon Shelley Payne has the call.

Hon SHELLEY PAYNE: There is also the state government's \$1.9 million election commitment for the regional airfares cap, which will really help regional people get to the city and wherever else they need to go in the state at a reasonable cost. Airfares have been way overpriced for a long time, so that is a very good initiative.

Hon Alannah MacTiernan, Hon Sandra Carr and Hon Peter Foster all talked about regional economic development grants, which are also fantastic. They create jobs in the regions and help small businesses. More recently, RED grants have gone into Aboriginal enterprises. I was fortunate enough to visit Gnowangerup with Hon Alannah MacTiernan at the beginning of the year to look at seed projects with the Gnowangerup Aboriginal Corporation and the Tambellup Aboriginal Progress Association. RED grants have gone into those organisations to help with building their seed enterprises. There is a growing need to revegetate and build biodiversity across the state, and there is huge potential for those Aboriginal businesses to capture the demand for native seed and seedlings. That is another really great thing. Money has also gone to the Badgebup Aboriginal Corporation outside Katanning to establish a seed nursery enterprise. These are all really good projects. In a previous round, a RED grant also went to the Tjaltjraak Native Title Aboriginal Corporation in Esperance for its native seed collection projects.

Another program that is really good is the agrifood and beverage voucher program. We have a huge agricultural industry here in Western Australia, yet we really are not good at value-adding to what we are doing. Those food and beverage vouchers are really great for small enterprises that want to start value-adding. One of those is the Esperance Distillery Co. It initially received a small RED grant, but just the other week it also received a couple of vouchers under the program. Businesses can apply for up to two vouchers with a combined value of up to \$15 000. They are designed to help emerging agrifood and beverage businesses to engage a consultant or technical expert to help them grow their business. The vouchers in this case are worth \$2 000 each; they are just small vouchers, but it will really assist the distillery to engage consultants to grow its business and help launch a new product category. Members should keep a lookout for Esperance Distillery Co; it has a really exciting new product coming up.

Another recent regional investment program is the modular building program announced by Minister Carey. This program is designed to address our housing shortage in the regions. It was recently announced that Katanning will get four of those modular homes; both Albany and Geraldton will also receive some. I have spoken to Hon Kyle McGinn about one in Kalgoorlie that is already up and running after only a month, which is really great. About 150 homes will be delivered to the regions through this program, and that is part of the \$875 million allocated to social housing in the state budget. It is another really great investment in the regions.

There is another great project recently completed in Esperance that I would like to thank the government for: the Esperance beach enclosure. Everyone knows that Esperance has a bit of a shark problem, so the McGowan government provided \$400 000 for a new beach enclosure at Esperance, which is really great. It was opened in time for summer and the school holiday season, and for the kids' VacSwim swimming lessons at the beach. It also helps our tourists have a safer experience, and is really bringing a vibrancy to the centre of our town. It is a really great \$400 000 investment from the McGowan government.

The last thing I want to mention is the Lotterywest grants program and how great it has been for the regions. This has been achieved because we have not privatised Lotterywest. For example, last year Lotterywest had a record-breaking financial year with \$860 million provided to the WA community. I do not know whether it is because people are buying more lottery tickets because of the pandemic and they are not spending their money overseas, but this is really great because it means that the money is going into the regions. Some of that money was moved to the COVID relief fund as well, which really helped businesses recover from the impacts of COVID. I have presented quite a number of grants in my region over the past year that have made a huge difference to the community. The Shire of Wagin has created a great wetland playground, and that happened thanks to \$173 000 from Lotterywest. The Shire of Narrogin received \$95 000 for work on a Noongar cultural trail along the creek that runs through Narrogin and is significant for the Indigenous people in that area. That is going to be a great tourist attraction, as well as really important engagement with the local Noongar people. Esperance Home Care provides help to the elderly of Esperance, and it received \$189 000 for improvements to its facilities, which is of great help to the people who come to the day services there. Lotterywest has been really fantastic for the regions as well.

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I thank Hon Peter Foster for bringing this motion today, and thanks to the McGowan government for its huge investments and the changes they have brought about, with money and projects going into the regions. It has been noticed, and regional communities are really grateful for it.

HON KYLE MCGINN (Mining and Pastoral — Parliamentary Secretary) [12.39 pm]: It is with great excitement that I rise to add to the excellent motion brought to the house by Hon Peter Foster. I want to start by dispelling some of the mistruths made by members across the chamber. For the benefit of *Hansard*, I am holding in my hand a beautiful media release from January 2021 titled “WA Liberal, National parties at war over Royalties for Regions management”. It states —

... Steve Thomas has slammed the Nationals WA for refusing to meet with him over the “sensible financial management” of Royalties for Regions ...

It goes on to say—this is my favourite line in this article —

Dr Thomas said his party would no longer allow the fund to be used as a “slush fund” ...

It writes itself. I will go back a little further to 2017.

Several members interjected.

Hon KYLE MCGINN: Members are responding to some of the rubbish that was said by members on the other side of the chamber.

The ACTING PRESIDENT (Hon Jackie Jarvis): Members! On this occasion, I do not believe Hon Kyle McGinn has been inviting interjections. I ask you to continue. You have three minutes left on this motion.

Hon KYLE MCGINN: Bring it on! Let’s go!

The article is headed “WA Election: Royalties for Regions stoush between Nationals and Liberals on election eve”, and states —

On Wednesday the Liberals’ election costings revealed funds from the scheme would be shifted to meet recurrent costs of regional programs to save —

Wait for it —

\$800 million over two years.

Members opposite want to sit on their high horse and talk about repurposing. The opposition spoke about a repurpose in 2017—Dr Nahan. I nearly forgot who that was. It is hilarious. Those opposite are on their high horse talking about recurrent spending. After seeing this stuff, I hope the Nationals WA never join in a coalition with the Liberals again. What did we see when the Nationals came back after the 2021 election? Now they are really tightknit. It was mentioned that the National Party would be the third biggest party in Parliament. That was wrong. It was the second biggest. There was something wrong in that media release.

I want to touch on a really good regional economic development grant. I am not backslapping. Without doubt, this is one of the best projects that I have seen. It has been set up in Laverton and involves Aboriginal people taking control of road maintenance that is occurring in that region. We know that a huge spend is occurring in that area, involving \$100 million from the state government, and I believe the federal government has also committed to the Outback Way. We are putting \$250 000 into a joint venture with Australian Potash, which is now training local Aboriginal people to work on that road. We want to see Aboriginal road builders as the next role models in their community. That is something that we see with ranger programs and that is what we want to see with road building.

In 2017, I remember that Minister Alannah MacTiernan, Minister Rita Saffioti and I put together a stakeholder group to try to find out how to seal the road from Meekatharra to Wiluna. The project involved training 14 to 15 local Indigenous men and women. After that, \$20 million was allocated to the project. It was brilliant. Over 30 years, nothing happened in that space, right up to the death of the election when the Nats said, “Here’s \$60 million” that was not even budgeted for; it was just chucked out there. We are working on projects that see growth in local employment and local Aboriginal employment. I commend the minister, Hon Alannah MacTiernan, for this project. Mac Jensen, who runs that program, does a fantastic job. He will get Aboriginal people trained to build that road all the way across to Queensland if we can. That is a real outcome for the local people in Laverton. I thank the minister for the RED grant program. I think it is absolutely brilliant. I thank Hon Peter Foster for a great motion.

Motion lapsed, pursuant to standing orders.