

**PREMIER COAL — SALE TO YANCOAL**

*Standing Orders Suspension — Motion*

**MR M. McGOWAN (Rockingham)** [12.05 pm] — without notice: I move —

That so much of standing orders be suspended as is necessary to enable the following motion to be moved forthwith —

That this house condemns the Premier for misleading the house regarding his government's knowledge of negotiations for the purchase of Premier Coal and the nature of his Chinese memorandum of understanding.

We move this motion advisedly because we would like to get to the bottom of exactly what has gone on in relation to both of these issues and what the truth of the matter is. It is a very serious matter to accuse the Premier of the state of misleading the house in relation to his government's knowledge of matters of such importance as the energy security of Western Australia. It is also a very serious matter for an opposition to accuse the Premier of misleading the public, via statements in the house, in relation to an agreement that his government negotiated with a foreign government. But on both cases we believe that we have significant evidence, and there is a significant requirement for the Premier to advise the house what the truth of the matter is in relation to those matters. We would like the government to agree to provide some time for a debate of those very significant issues. I will seek, from across the floor, an indication from the Premier as to whether he is in agreement and will provide some time for a debate of that magnitude, commencing now, if the Premier likes. If the Premier is willing to provide that assurance, obviously we will be able to move on to actually having a real debate around this, rather than spending some time discussing why the matter is so urgent that it requires the suspension of standing orders. The Premier is not prepared to give that assurance, so I will set out the arguments as to why the matter —

Several members interjected.

**Mr M. McGOWAN:** The Minister for Housing has not learnt much in his time in this place. These debates can actually be conducted reasonably and sensibly with time limits on either side, or they can be conducted reasonably and sensibly with time limits on either side and with a preliminary debate of the same length of time. It is the government's choice as to how it wants to go about it, because we have serious concerns about what the Premier had to say in Parliament yesterday in regard to these matters. We have serious concerns about what the Premier had to say in Parliament last week in relation to his Chinese memorandum of understanding, and what he said in the house has not actually come to pass.

**Mr C.J. Barnett:** Quarter of an hour either side. Fair enough, if you want to debate it. It is a pretty simple issue.

**Mr M. McGOWAN:** All right; we will agree to that. If both sides receive a quarter of an hour, that is acceptable to us, but we would require the government to obviously amend the motion I have moved to that effect. While that process goes on, I will explain to the house why the matter is so urgent.

The Premier yesterday told the press and the house a range of things in relation to a Chinese company acquiring Premier Coal. This is a very significant issue as to the ownership or security of supply of energy in Western Australia. I want to put on the record before the debate actually commences that the opposition supports Chinese investment in Western Australia. We support foreign investment in Western Australia. We think there should be that level of investment in our state to provide jobs, security and growth for Western Australian industry. But we also support the supply of energy for domestic purposes. We also support the Premier telling the truth in this house when these matters are discussed. We do not want him to come up with inaccurate answers to questions in question time about what has gone on.

**Mr C.J. Barnett:** How do you know?

**Mr M. McGOWAN:** We will get to that. We also support truthfulness in relation to the nature of agreements that he signs on behalf of Western Australia with foreign governments. In relation to both those matters, we suggest that the Premier needs to be a little truthful and to not come up with overblown hyperbole that does not reflect the reality of what has been said before. I have set out the case for why the matters are urgent. I have set out the broad context. We were all here for question time yesterday. The Premier said a few things about the negotiations for the purchase by Yancoal of Premier Coal.

**Mr R.F. Johnson:** If you sit down, I will move an amendment.

**Mr M. McGOWAN:** Okay.

*Standing Orders Suspension — Amendment to Motion*

**MR R.F. JOHNSON (Hillarys — Leader of the House)** [12.11 pm]: I move —

Mr Mark McGowan; Mr Rob Johnson; Mr Mick Murray; Mr Colin Barnett; Mr Eric Ripper; Mr Troy Buswell

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To insert after “forthwith” the following —

subject to the debate being limited to 15 minutes for government members and 15 minutes for non-government members

**Mr M. McGowan:** We are agreeable to that, Mr Speaker.

Amendment put and passed.

*Standing Orders Suspension — Motion, as Amended*

Question put and passed with an absolute majority.

*Motion*

**MR M. McGOWAN (Rockingham)** [12.12 pm]: I have set out the broad context of these matters. What I am going to do —

**The SPEAKER:** Member for Rockingham, you will need to move the motion.

**Mr M. McGOWAN:** I move —

That this house condemns the Premier for misleading the house regarding his government’s knowledge of negotiations for the purchase of Premier Coal and the nature of his Chinese memorandum of understanding.

This matter is of very great importance for the people of Western Australia, as it involves the security of energy supplies for our state. It is also about whether the Premier tells the truth on these matters. I have three points to raise. First of all, yesterday in Parliament the Premier indicated that he had very little knowledge, if any, of the purchase of Wesfarmers Premier Coal by a Chinese company, Yancoal. He indicated to the house that he had no knowledge of that. In fact, he used the words —

No, I did not, and I can assure the member that neither did Verve.

The first point that needs to be made is that the sale of Premier Coal to Yancoal was common knowledge around Western Australia in past weeks; it had been widely discussed. A wide range of people in Western Australia had knowledge of that matter. It is common knowledge that that is the case.

**Mr T.R. Buswell:** I have the *Hansard* in front of me; it doesn’t say that.

**Mr M. McGOWAN:** When asked, the Premier said “No, I did not” in relation to whether he knew about the purchase of the company by Yancoal before it was announced yesterday.

**Mr C.J. Barnett:** No, no, no.

**Mr M. McGOWAN:** The Premier can make his speech and I will make mine. He said that he did not have knowledge of that. That begs the question of whether he told the truth about that. It begs the question of what his ministers and his department have been telling him about these matters. It was broadly known in Western Australia that that company was going to purchase Premier Coal, before the Premier claims he had knowledge of it on Monday night.

**Mr C.J. Barnett:** Tuesday night.

**Mr M. McGOWAN:** On Tuesday night. In fact, the Premier said to the press yesterday that the government was caught on the hop in relation to this matter. His words, as reported by *The West Australian*, were —

“I have to admit, quite clearly, when I was told about this (on Tuesday night), the State Government was caught on the hop,”

Why was it caught on the hop when all sorts of people around Western Australia knew about it, except, apparently, the Premier of Western Australia? Did the Premier tell the truth to the house on those matters?

The second point I want to raise, and it is a very serious matter, is that the Premier said in the house yesterday —

... I remain somewhat concerned today—that Wesfarmers had announced this decision when negotiations were continuing with Verve. However, that is a decision Wesfarmers has taken.

The negotiations referred to by the Premier were for the purchase by Verve of a minority stake in Premier Coal. The Premier indicated that that was ongoing as of Tuesday night. We know that the government received correspondence from Wesfarmers indicating that those negotiations were cut off in mid-August. We know that. That was six weeks ago. Those negotiations were concluded six weeks ago, yet the Premier misled the house and the people of Western Australia on the status of those negotiations. All I would say to the Premier is that he needs to tell the truth about all these matters. The reason it is significant is that he has gone out and spread a whole heap of misinformation on the basis that he knows there are concerns around the security of supply

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because of what has happened in relation to the purchase of Griffin Coal by Lanco and all of the issues surrounding breaches of contract there. He knows there are concerns around that, so he has now gone out and expressed concern about overseas investment and claimed that he had little or no knowledge of these matters. He has misled people on these matters.

**Mr T.R. Buswell:** He didn't say that at all.

**Mr M. McGOWAN:** The member for Vasse can make his speech in due course. The Premier claims all these things because he knows that there is broad public concern. He wants to mislead people so that he can say that he did not have any knowledge of these matters and that it is nothing to do with him. That is what he wanted to do. The Premier needs to get up and explain to the house when the negotiations between Wesfarmers and Verve were concluded and when the Premier, his office or his government found out about them. The Premier clearly told the house something yesterday which, according to all the advice, and from what Mr Richard Goyder, the managing director of Wesfarmers has said, was incorrect. We were advised that the state government was told in the middle of last month that Wesfarmers had concluded its negotiations with Verve on that purchase. Indeed, *The West Australian* quoted Wesfarmers managing director, Richard Goyder, as saying that the company had kept the government and Verve —

... “fully informed over many months throughout what has been an open sale process.”

The Premier implied yesterday that he had no knowledge of these matters. The Premier said directly that he was caught on the hop and that he had been blind-sided. The Premier is only the Minister for State Development, whose department has some considerable involvement in these matters! Either the Premier was telling the truth yesterday or Wesfarmers' Richard Goyder was telling the truth. The Premier cannot have it both ways. But it is broader than that. I also raised the issue of the Chinese memorandum of understanding, which the Premier came back trumpeting eight days ago. The Premier got national attention for this being the first state government to come up with an arrangement like this. On 20 September, the Premier came into the house and said —

This agreement will set up a more formal relationship. All big projects in Western Australia involve government in one way or another, whether through approvals, infrastructure development, mining or the like.

The Premier came back trumpeting his six-page agreement with the Chinese government, saying that it would put us at the centre of things. Indeed, the Premier further said in an article in *The Weekend Australian* —

“This means that on all major projects, there is now a direct and formal government relationship between China and WA,”

And now, at the first opportunity a Chinese government-owned entity has to purchase a Western Australian mining entity, the Premier claims he has no knowledge! He has misled the people about the nature of this agreement, which was going to put him at the centre of everything to do with mining and Chinese government investment in Western Australia. Only last week the Premier was claiming that this would put him at the centre of everything, and now, at the first available opportunity, he is claiming he has no knowledge of these matters. The Premier has misled the house about that agreement and how investment will work in this state.

I say that the Premier has misled the house on two occasions: firstly, with his claims about the deal between Wesfarmers and Verve and his knowledge of the Yancoal Australia deal; and, secondly about this agreement that the Premier claimed would “put him at the centre of things”. It quite obviously has not! I have a copy here of what the Premier had to say. He said —

All big projects in Western Australia involve government in one way or another, whether through approvals, infrastructure development, mining or the like.

Eight days later, the Premier did not know about the purchase of one of our most strategic energy assets!

As I have said, the opposition supports Chinese investment in Western Australia. All the Premier has tried to do is run the line that he is on one side of the fence one week, and on the other the next. The public of Western Australia needs to know exactly where the Premier stands and exactly when the Premier is telling the truth.

**MR M.P. MURRAY (Collie–Preston) [12.21 pm]:** I rise to add to the debate. Certainly, it is of grave concern that the Premier has admitted that he was caught on the hop. I refer to that great weekly newspaper, the *Collie Mail*, in which it states the Premier —

... admitted yesterday he had been “caught on the hop” by the sale which, if approved by the Foreign Investment Review Board, means WA's two coal mines will be foreign owned. “I am not jumping up and down celebrating, this is a problem for the state,” ...

What is the problem? Why is the Premier not coming clean? Why will he not let the people of Collie and Western Australia know what has happened with this transaction?

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Not so long ago, Verve was in talks with Wesfarmers. I thought that was a great thing because we could have secured our future energy supply. Unfortunately, under every Liberal government, Collie has taken a hammering—every time! The Premier was down there today unveiling a statue of someone who can be termed a great nor'-wester—Sir Charles Court. He was one of the first who tried to shut down Collie. We have a Premier who has been asleep at the wheel and who does not know what is going on in the very important coal industry. Sixty per cent of the electricity generated in WA is coal powered, which, costing between \$3 and \$4 a gigajoule, is the cheapest fuel in WA. Compare that to \$15 a gigajoule for gas!

We must know where we are headed. How can we know where we are going if the information is not tabled in the house? As far as the coal suppliers are concerned, this Premier was asleep at the wheel when Lanco Infratech said that it was not going to supply the Bluewaters power station. What happened? This Parliament had to push the Premier to do something. We had to ask the Premier to intervene because we needed security of supply or else the lights would have gone out in Collie. That matter involved 10 per cent of our supply; we are now talking about 60 per cent! The Premier needs to be open about his understanding of the transactions that have taken place with Premier Coal.

I am very disappointed that the so-called great company Wesfarmers Ltd, trading as Premier Coal, has mined the easy coal and run away to leave the pickings to others. Wesfarmers took the money and ran! It did the same in the rail industry and the wheat industry. Everywhere it has been, Wesfarmers has taken the easy money and run, all the while saying it is a great Western Australian company. Well, that is not so true!

Premier, members need to know what is going on, the community needs to know and the state needs to know. Collie is not secure as it was under a Labor government, when everything was going well and everyone was comfortable. The people of Collie support outside investment. This state was built on outside investment! However, since the arrival of the Liberal-National government, foreign investment controls have been lacking. A week ago I grieved to the Minister for Regional Development about the need to put Lanco on track. Now it is Wesfarmers and a Chinese company.

We want to know where we stand in the future. Security of energy supply is really, really important to WA. The south west interconnected system and other supplies must be secure. If there is no security of supply, if there are no guarantees that things will continue as they have been, the so-called SuperTown concept for Collie is dead, because there will not be any jobs in the area.

The Premier knows more than what he has been telling us. Please explain to the house what is going on! The Premier should correct the record, if he has it wrong. Certainly, he has admitted that he has been caught asleep at the wheel.

**Mr C.J. Barnett:** I did not say that. I never said that. I did not say that at all.

**Mr M.P. MURRAY:** The Premier did say that! He has been caught asleep at the wheel. He told me that he was very angry about what happened. Please explain to the people of Western Australia what happened.

**MR C.J. BARNETT (Cottesloe — Premier)** [12.25 pm]: I am happy to speak on this issue. The basic case brought by the opposition is that I somehow misled this house. I will address that because it is a very serious accusation. Preceding this issue, some changes had taken place in the coal industry—changes that happened under the previous government. I am not critical of those changes because I think they were probably quite sensible changes at the time. However, they are relevant to this issue as it has unfolded.

The first change was the new contract for coal supply negotiated under the Labor government that was announced in August 2005 and came into operation in April 2006. As a consequence of that contract, Premier Coal, or Wesfarmers, became the sole supplier of coal to Verve. The other relevant aspect is that under the Griffin Coal project, the Bluewaters power station had been developed, and in December 2007 Synergy entered into a contract to purchase electricity from Griffin Coal. The government, as a producer of electricity through Verve, was therefore reliant on a sole supplier. Synergy, as the retailer, purchased electricity from Verve but was also contracted to and relying on a reliable energy supply from Bluewaters, which was supplied by Griffin Coal. That is the scenario. Had nothing changed, that might have been fine, but things do change, and they changed for the worse.

Specifically, accusations have been made that I was blindsided or asleep at the wheel. I thought I had made it very clear that I was surprised; I did not expect to be advised that Wesfarmers had concluded a transaction with Yancoal Australia, a subsidiary of the Yanzhou Coal Mining Company. I was surprised. I did not expect to be advised, as I was at about 6.30 on Tuesday evening, that the deal had been done. That is why I expressed that, in a sense, I was caught on the hop, because that was not what I expected and it was not my understanding of the undertakings given to me by Wesfarmers. Was I aware that Wesfarmers had put Premier Coal up for sale? Of course I was! I had a number of meetings with Wesfarmers along with the energy minister and others. Of course

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I was directly involved, not only because of energy security issues and Verve's position, but also because, as Minister for State Development, the coal mining agreement acts fall within my province. I was caught surprised. I was surprised. I did not expect an announcement to come. I knew that the negotiations were taking place. I have never suggested anything otherwise.

Let me tell members about some of the issues that have changed in recent times. For example, Verve Energy had been in negotiations with Wesfarmers since 2009. This goes back some time. The issue was about a coal contract entered into during the time of the previous Labor government. Wesfarmers' basic point to Verve, and therefore to the state government, was that it had a problem with the contract. Those discussions were initiated by Wesfarmers. The problem with the contract was that the cost of producing coal had risen and the price at which Premier Coal was contracted to sell coal to the state for 20 years would become unsustainable. That was the issue. That discussion was initiated by Wesfarmers. Verve, as the customer, was negotiating and discussing that with Wesfarmers. Members opposite can talk about the importance and sanctity of contracts, but no-one, least of all the people of Western Australia, would benefit if the mine were to close. We can store coal, but we cannot store electricity. We need to have continuous coal delivery, continuous power generation and continuous electricity through the powerlines. Therefore, this was an issue to Wesfarmers, clearly an issue to Verve and clearly an issue to the state. At the same time, Verve was experiencing some financial difficulties, which is another issue and another debate. In those discussions, Wesfarmers put various proposals to Verve, and those proposals included very substantial increases in the price of coal. Wesfarmers looked at that issue at face value, did its due diligence and examined it; discussions took place. It is true that Verve Energy informed Wesfarmers on 11 August that the conditions or the proposals put to it by Wesfarmers were not acceptable, and those negotiations about that proposal by Wesfarmers stopped because neither Verve nor the government was going to accept a substantial increase in the price of coal, when we had just started out on a 20-year contract. We recognised that there was a problem, a looming problem, but we were not about to simply hand over more money for coal on a 20-year contract that had only just started.

**Mr M. McGowan:** So why did you say differently yesterday?

**Mr C.J. BARNETT:** I am just going through it; the member has to listen now.

**Mr M. McGowan:** Just correct the record.

**Mr C.J. BARNETT:** I am going to go right through it.

Wesfarmers subsequently advised Verve that there were two short-listed bidders for the purchase of Premier Coal, one of them being Yanzhou Coal Mining Company, or Yancoal; it was one of the bidders. Those companies sought information from the Department of State Development, my department, on terms and conditions relating to the state agreement and what that meant, and, in a responsible way, State Development provided that information and gave interpretations and briefings on the state agreement acts. That was happening within government.

Verve Energy actually sought to have direct contact with the two bidders; it actually wanted to be able to sit down with the two bidders and discuss the contract—vital to both—and those issues. That request was denied by Wesfarmers. It was Wesfarmers' right to deny it; it was going through a bidding process, and it chose to deny the request. At that stage, Verve was basically locked out of the process; that is what happened. However, Verve continued to have a continuing dialogue with Wesfarmers, and I found Wesfarmers' behaviour through that process to be quite proper. Wesfarmers continued to have discussions with me, and that went on within my office, within State Development and within Verve. But the formal negotiations over the offer made to Wesfarmers to raise the price of coal were terminated, because the state was not going to accept that; that is what was terminated.

As to the actual announcement of the transfer or the sale of Premier Coal to Yancoal, I did not know that that transaction had gone through until I was rung by Wesfarmers at about 6.30 on Tuesday night and told about it. Was I caught on the hop on that aspect? Yes, I was. Was I disappointed? Yes, I was; yes, I am today. I was disappointed that Wesfarmers told me about the transaction only after the transaction had been done. That was not what I expected; indeed, the state would have wanted, as Verve did, to have discussions with a prospective buyer. As Premier, and as Minister for State Development, I would have personally wanted discussions with any prospective buyers.

**Mr M. McGowan:** But you knew that.

**Mr C.J. BARNETT:** I am answering now. I will get to it in a few minutes.

**Mr M. McGowan:** Are you saying you did not know about it?

**Mr C.J. BARNETT:** I did not know about the conclusion of the transaction; I did not know about the sale, and I challenge the member to find any evidence that I said I knew about the sale.

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Several members interjected.

**Mr C.J. BARNETT:** I did not.

Several members interjected.

**The SPEAKER:** Members!

**Mr C.J. BARNETT:** I did not know about the sale. In fact, there are only two people in this chamber who knew about the sale on that night: me and the member for Collie–Preston. As a courtesy, I came into the chamber later that night and told the member for Collie–Preston in confidence what I had just heard. And I think the member would accept me at my word; I had only just heard it myself an hour or so earlier. Immediately within government, in my office —

**Mr P.C. Tinley:** What about the negotiations? Did you know about that?

**Mr C.J. BARNETT:** I was involved in negotiations; I have just said that. Immediately —

**Mr W.J. Johnston** interjected.

**The SPEAKER:** Member for Cannington!

**Mr W.J. Johnston** interjected.

**The SPEAKER:** This is a very serious motion, and up to this point it has been treated very seriously. That is what I expect to continue in this place. I do not want to have to get to my feet again and do this.

**Mr C.J. BARNETT:** Yes; I did not know of the sale to Yancoal until that sale had been put in place, nor did Verve Energy. Verve Energy did not know of that. That is why I was caught on the hop; I did not know. I expected that I would have been informed; I would have expected to have the opportunity to discuss some of the issues.

**Mr M. McGowan:** What about the ministers? Did the ministers know?

**Mr C.J. BARNETT:** Verve did not know, so I would assume that the Minister for Energy did not know either; I certainly did not know, and I make no secret of it. I do not think Wesfarmers will deny it. I had had direct negotiations with Wesfarmers over the last couple of months, as had the Minister for Energy, as had Verve, and as had State Development, because this is a big issue. This is not about Chinese investment; this is an issue about the security of coal supply and electricity delivery to the people and businesses of Western Australia; that is the issue. Why would I express some concern? It has nothing to do with China at all, other than the fact that it is a Chinese company. This is a share market transaction; it is an Australian Stock Exchange transaction; it is not something I can approve or disapprove, but it will require Foreign Investment Review Board approval.

If we go back, the other event that happened in the energy industry this year was the collapse of the Griffin Group—it basically went into administration—and the subsequent purchase by Lanco, an Indian group, of the Griffin coalmining operations. I supported that, because it gave security to the employees and got the project underway. Under Lanco's FIRB approval, as I understand it, FIRB had also laid down to Lanco that Lanco needed to honour contracts, security of supply, state agreement provisions and the like; that is my broad understanding of the FIRB approval. Yet, we found that, immediately after Lanco took over the Griffin coalmining project, it tried to increase the price, or advised Bluewaters of an increase in price. Lanco basically terminated negotiations with Perdaman Industries about the project, about which Perdaman had been negotiating, and, indeed, in its terms, had a contract in place. Therefore, I was not too impressed by the behaviour of Lanco, and I had a very full and frank discussion with the chairman of Lanco about that matter. I have to say that, subsequently, in recent times, Lanco is taking a more responsible position, and I am pleased about that. Therefore, it naturally makes me somewhat apprehensive when I find out after the deal is done that the Premier coalmine of Wesfarmers has been sold to an overseas company. Why would I not be? It is in the interests of Western Australia for me to be apprehensive. There is a group, including my office, the Minister for Energy, Verve, the State Solicitor's Office and State Development, looking at these implications.

I will conclude by saying that, while I have those concerns, there is no reason for anyone in Western Australia to feel that there is any sense of crisis now. The mine continues to operate—Yancoal has, I think, 11 other mines in Australia, perhaps not so critical to any state as this particular mine is to Western Australia—and the state is protected because under the state agreement act that coal is reserved for the state first and foremost. Any proposal to export coal under the state agreement can be done only with the approval of the Minister for State Development. Therefore, our immediate energy supply is not threatened. Into the long term, over a 20-year contract, the fundamental issues that Wesfarmers raised with Verve are still there.

**MR E.S. RIPPER (Belmont — Leader of the Opposition)** [12.38 pm]: The Premier says that he was blindsided and caught on the hop. He says he was not privy to Wesfarmers' negotiations with potential buyers.

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He also says that Yancoal actually got briefings on the state agreement act from the Department of State Development. I think that either the Premier is either misleading us or his government has been incompetent. These negotiations have been going on for quite some time. What was the government doing? What was the Minister for Energy doing? Where was the Minister for Mines and Petroleum, Hon Norman Moore? Perhaps this is what happens when there is a one-man band government and when there is a micromanager such as the Premier; when we have that, some things can fall through the gaps. The government, clearly, at certain levels, was in discussions with Wesfarmers and was in discussions with potential buyers. Therefore, it gives quite a misleading impression to tell this house and to tell the public that somehow or other the government was blindsided or caught on the hop. Quite frankly, the Premier has been outed by the statement from Richard Goyder, who said the company had kept the government and Verve —

... fully informed over many months throughout what has been an open sale process.

We cannot imagine that Richard Goyder would make a statement like that in response to the Premier saying that he was blindsided and caught on the hop without due consideration. The Premier has been outed by none other than Richard Goyder for what he has said on this issue.

I think the government has either been dishonest with the people and with this house or incompetent in the way in which it has handled these negotiations. What I object to in this whole debate is the assumption that is allowed to run in the media that somehow we should be particularly suspicious of a Chinese company. It was not Yancoal that threatened the contracts; it was Lanco. Other companies have let us down on energy security. The Premier sold the Dampier to Bunbury natural gas pipeline to Epic Energy, an American company that was unwilling to expand the pipeline, and that created a huge risk to our electricity security. Griffin Coal, a company owned by Australians, let us down and created a huge risk to our energy security. I think it is wrong to jump into the media and make comments that might imply that we should have some special suspicion of Chinese companies. We should have confidence in our powers. I wish we had confidence in our government. We own the minerals and we have a state agreement and a long-term contract. If we had a competent government, we could see those powers being used.

**MR T.R. BUSWELL (Vasse — Minister for Transport)** [12.41 pm]: The xenophobic flag is an interesting flag to run up, Leader of the Opposition. I have not heard it mentioned once by the Premier. I have heard the Premier talk about energy security and the threats posed by both Lanco and Yancoal to the state's coal requirements to generate domestic electricity. I have read the *Hansard* from yesterday, and none of the member for Rockingham's assertions about the Premier's misleading of the house is reflected in what is written in *Hansard*. The member for Rockingham came in here a minute ago and said that the Premier came in here and denied that he had any knowledge of the negotiation. That is clearly not what is stated in *Hansard*. Let me read this to members —

Several members interjected.

**Mr E.S. Ripper:** You cannot read it!

**The SPEAKER:** I will provide all members with this instruction. Minister for Transport, it is an uncorrected copy of *Hansard*. The previous rules still apply; you cannot quote from it. It can be used to aid your memory, members; that is all it can be used for.

**Mr T.R. BUSWELL:** I was reflecting on what was said yesterday when the Leader of the Opposition asked the Premier whether he knew whether Wesfarmers was negotiating with Yancoal, and he said "Don't you know they were negotiating?" He said, "I didn't say that at all." Of course the Premier said they were negotiating. He pointed out that this had been going on for some time and they had been involved for some time. Therefore, the statements by the member for Rockingham are plainly wrong.

**Mr E.S. Ripper** interjected.

**Mr T.R. BUSWELL:** The member is confusing two points; he is confusing a negotiation with the signing of a contract. I want to deal with the broader issue —

Several members interjected.

**The SPEAKER:** Members! There has been an opportunity to get to your feet to seek the call. We are close to the end.

**Mr M.P. Murray:** We might be able to get a coalmine in Margaret River now!

**Mr T.R. BUSWELL:** I would be very quiet if I were the member for Collie-Preston, because the Premier has moved heaven and earth to get the Perdaman project over the line. The biggest beneficiaries of the Perdaman project will, funnily enough, be people in the member for Collie-Preston's electorate. The single biggest threat

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to the Perdaman project at the moment is Lanco; it is not this government, which has moved heaven and earth at port, on rail, and at bridges to get that project over the line.

The issue is energy security. On this side of the house, as we confront challenges with energy security, we are pleased to have the Premier in charge. I reflect on the last time this state's energy security was threatened—when Varanus Island blew up. Who would we rather have with their hands on the lever of power in this state when we face challenges with energy security? There is no doubt the answer is the Premier. We are very happy to have him leading us into this difficult time. Look at what happened at Varanus Island. The lights went out, businesses were closing and people were temporarily getting laid off. Let us compare the stewardship of the state under threats of energy security. I would much rather be sitting here behind the Premier than over behind the member for Cockburn.

**Mr M. McGowan:** I am sure he would prefer that, too!

**The SPEAKER:** Member for Rockingham, do you wonder why there might be some silence? I formally call you to order for the first time today. That was entirely out of order from a person such as you.

You have less than a minute, I suspect, Minister for Transport. I would like to hear a bit of it. I hope some members cease interjecting for a moment.

**Mr T.R. BUSWELL:** I will conclude, as that minute winds down, with two observations —

**Mr B.J. Grylls:** How did they go with their disaggregation of power?

**Mr T.R. BUSWELL:** The disaggregation of power —

[Member's time expired.]

Question put and a division taken with the following result —

Ayes (22)

Ms L.L. Baker  
Dr A.D. Buti  
Mr R.H. Cook  
Ms J.M. Freeman  
Mr J.N. Hyde  
Mr W.J. Johnston

Mr J.C. Kobelke  
Mr F.M. Logan  
Mr M. McGowan  
Mr M.P. Murray  
Mr A.P. O'Gorman  
Mr P. Papalia

Mr J.R. Quigley  
Ms M.M. Quirk  
Mr E.S. Ripper  
Mrs M.H. Roberts  
Mr C.J. Tallentire  
Mr P.C. Tinley

Mr A.J. Waddell  
Mr P.B. Watson  
Mr B.S. Wyatt  
Ms R. Saffioti (*Teller*)

Noes (26)

Mr P. Abetz  
Mr F.A. Alban  
Mr C.J. Barnett  
Mr I.C. Blayney  
Mr J.J.M. Bowler  
Mr I.M. Britza  
Mr T.R. Buswell

Mr G.M. Castrilli  
Mr V.A. Catania  
Dr E. Constable  
Mr J.H.D. Day  
Mr B.J. Grylls  
Dr K.D. Hames  
Mr A.P. Jacob

Dr G.G. Jacobs  
Mr R.F. Johnson  
Mr A. Krsticevic  
Mr J.E. McGrath  
Mr W.R. Marmion  
Mr P.T. Miles  
Ms A.R. Mitchell

Dr M.D. Nahan  
Mr D.T. Redman  
Mr M.W. Sutherland  
Dr J.M. Woollard  
Mr A.J. Simpson (*Teller*)

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Pairs

Mrs C.A. Martin  
Mr D.A. Templeman  
Mr M.P. Whitely  
Mr T.G. Stephens

Mrs L.M. Harvey  
Mr C.C. Porter  
Mr T.K. Waldron  
Mr M.J. Cowper

Question thus negatived.