

**FIONA STANLEY HOSPITAL CONSTRUCTION ACCOUNT BILL 2007**

*Second Reading*

Resumed from 29 August.

**HON MURRAY CRIDDLE (Agricultural)** [9.18 pm]: I was fortunate to have had a briefing on this bill today, so the information I received is reasonably fresh in my mind. As stated in the bill, this is a bill for -

**An Act to establish a Treasurer's special purpose account called the Fiona Stanley Hospital Construction Account for the purposes of construction and establishment of the Fiona Stanley Hospital, and for related purposes.**

Page 581 of the *Budget Statements* refers to Fiona Stanley Hospital, and \$1 092 421 000 has been provided for construction of stage 1. That is an enormous amount of money to be set aside. I should have mentioned that it has come from the 2007-08 budget surplus. It is in a special account and, as a result of this bill, the interest in the account will assist with some of the anticipated cost escalations. No debt will arise from the construction of the hospital. This is an unusual way of funding a capital item from consolidated revenue. By and large, we spend the money in consolidated revenue as it comes in. The state has been in the very fortunate position of enjoying in the vicinity of \$2 billion in surpluses every year for the past two or three years. That has enabled the government to do these sorts of things.

The south metropolitan area has been pretty fortunate over recent times; it is doing very well. An announcement was made recently that the cost of the New Metrorail has blown out to \$1.66 billion. That is an extraordinary blow-out. I remember making the announcement in 1999-2000 when the coalition's estimate of the cost of the southern rail link was \$941 million in 1998 dollars. When this government took office and decided to build the railway it was talking about \$1.1 billion. The minister then decided to build the railway alongside the river. Since construction has commenced, the cost has rapidly risen to \$1.3 billion, \$1.5 billion and most recently \$1.66 billion, and there are some issues surrounding that particular figure. That is one area in which the south metropolitan railway has benefited.

Recently, we heard about the further extension of the Kwinana Freeway. I remember finalisation of an earlier stage of the freeway, which cost \$168 million, and which was opened just after the coalition lost government. I was not invited to its opening but a substantial contribution was made by the coalition government. The cost of the extension further south will run to something like \$600 million. Now we are debating a bill, which, of course, will legislate for setting aside \$1.09 billion or thereabouts, plus the interest it will earn over the years. It will be very interesting because I understand the health department will oversee the construction of the hospital and Treasury will manage the funding arrangements and pay out the money over the duration of construction. I note that the budget estimate has provision for the money to be expended until 2014-15. However, the very large amounts of money to be expended on the hospital will be, in 2009-10, \$106 million; in 2010-11, almost \$300 million; and in 2011-12, almost \$400 million. Eventually, this 643-bed hospital will come to fruition. Further examination of the 2007-08 budget reveals finalisation of planning and commencement of development of the new Fiona Stanley southern tertiary hospital, which will contain the new state trauma centre; a burns centre and major cancer services, including radiotherapy; paediatrics; neonatal facilities; and acute mental health care. It sounds as though it will be a fantastic hospital. There has also been some discussion about Royal Perth Hospital, which is proposed to be closed - I understand it will be closed - and the ramifications of that closure.

I have mentioned that the Treasurer will administer and control the account. The Auditor General will also have an oversee function and will provide an annual report. Any moneys left over in the account will be put back into consolidated revenue upon completion of the construction of the hospital. That will be done by order in the *Government Gazette*. The account will then be finalised, and this legislation will expire. The completion of construction will be in 2014-15.

This bill is not just about building a hospital. It is also about providing things such as rail and bus services. Everyone would realise that the current hospital facilities that are provided in Perth are linked with the bus circuit. I do not envisage that this hospital will be on that bus circuit. Therefore, some form of transport will need to be provided to enable people to move freely to and from this hospital facility. I hope the road situation will also be accommodated. I do not know whether any funding has been set aside for that purpose. I notice that the bill uses the term "and related purposes". I am not sure what that means. Perhaps the minister will be able to tell us what the related purposes will extend to.

It is all very well to set aside moneys for the city to provide things such as football ovals and arts facilities. However, we need to remember that other parts of this state also need facilities and resources to enable them to generate the funding that drives the economy of this state. The rail freight systems and the road systems in many of the rural and regional areas in this state are in dire straits. The amount of money that is required to address those matters is minimal compared with the amount of money that is being expended just in the south

metropolitan area. I have mentioned the \$3 billion or \$4 billion worth of infrastructure that is proposed for the south metropolitan area. I implore the government to think about the areas of this state that are putting the money into the pockets of the state Treasury. The government also needs to respond to the requirements of industry in those areas. There are massive industry requirements in the mid-west, the north west and the Ord River, and also in the south west with the extension of the gas pipeline. The implication to country people is that the majority of the money is going to the city. That is of enormous concern to me as a person who represents rural and regional Western Australia. The state government complains time and again that the federal government is not giving the states any money. Well, the same thing is coming to fruition with this state government in its funding of rural and regional Western Australia and, indeed, local government. Therefore, as I have said, I implore the government to look at the requirements of people in rural and regional Western Australia. The Minister for Agriculture and Food would be aware that many of these people are experiencing a very difficult situation because of the drought. I live very close to some of those people, and I know the hardship they are facing. I do not think any of these people expect a handout. I mentioned earlier today the prospect of putting infrastructure in place in rural and regional areas and giving the people in those areas the opportunity to build some of that infrastructure. I notice that the Leader of the House is nodding. This is not a plea that comes without concern for those people. I am very concerned for those people out there and seek to give them a bit of pride by allowing them to construct infrastructure in their area. In doing that, they will get some pride. I had experience of that when I was a minister. Members can ask anybody. I know that I have been blamed for every road in the northern wheatbelt, and I am proud of that, because my farm does not extend throughout the wheatbelt, and not every road that was built up there -

**Hon Norman Moore:** Not yet anyway!

**Hon MURRAY CRIDDLE:** Not yet, no. We are moving that way.

**Hon Robyn McSweeney** interjected.

**Hon MURRAY CRIDDLE:** I accept any criticism that anybody wants to cast in my direction when it comes to making decisions that allow local people to become involved in opportunities that will give them some pride and allow them to work in what are difficult conditions. People who live in the country do not get it easy, and we need to recognise that.

I support the idea of these sorts of funding arrangements being put in place, provided everybody in Western Australia has a crack at the money and those of us in the country have the opportunity to gain some benefits as well, so that we can continue to provide some of the wealth - in fact, most of the wealth - that people enjoy in Western Australia. What would we do without the regions of Western Australia? I hope that we get some rain so that country people can add a bit more dough to the pockets of people in the city. It would be a wonderful thing to happen. I welcome this bill. Remember those of us in the bush.

Debate adjourned, on motion by **Hon Kate Doust (Parliamentary Secretary)**.