

**APPROPRIATION (RECURRENT 2020–21) BILL 2020**  
**APPROPRIATION (CAPITAL 2020–21) BILL 2020**

*Second Reading — Cognate Debate*

Resumed from an earlier stage of the sitting.

**MR D.R. MICHAEL (Balcatta)** [2.59 pm]: Before the luncheon interval, I was talking about the McGowan government's strong leadership and financial management since 2017, which has allowed the government to be in such a good position to launch the \$5.5 billion WA recovery plan. One thing that I remember from studying economics in years 11 and 12 at Servite College with Mrs Italiano and Mr Swindles is that a goal of government is to reduce the boom-and-bust cycle. Governments can do that by investing during a bust and saving money for a rainy day during a boom. When we came to government, the budget was in such a terrible position that there was no money left to do anything. The state would have had problems had this pandemic occurred in 2016 or 2017 because it would not have been able to respond in the way that it has. The outcome of that response is today's Australian Bureau of Statistics' employment data, which is a good financial indicator. It is good news about the unemployment rate, the number of jobs created, the participation rate and underemployment. The number of people in our community who are underemployed is very important and I see that that is moving in a good direction. If it is not the best, Western Australia is very much the leading state in that respect. That is testament to the money that the government has put into the economy, which has rebounded, and to the government doing the responsible financial thing by keeping people in jobs.

Similar to a lot of members, I have been out doorknocking again since the restrictions in WA were lifted. People are very happy that households will receive a \$600 electricity credit on their Synergy bill, or their Horizon bill for those in the regions, to help deal with the financial pressures of COVID that they have experienced this year. During question time, we heard that self-funded retirees are very happy, especially with the way that the share market has been. Self-funded retirees have been suffering. They do not get a lot of support. Many of them have a Seniors Card but they do not get the same support as those who are on the pension —

**Mr A. Krsticevic** interjected.

**Mr D.R. MICHAEL:** Is the member for Carine right over there?

**Mr A. Krsticevic:** When do you check the share market?

**Mr D.R. MICHAEL:** We will talk about the share market later, mate.

Self-funded retirees are very happy with the share market because they do not get a lot of support. The Minister for Seniors and Ageing would know this. They get some Seniors Card concessions but not as much as those who are on the pension or who have a Commonwealth Seniors Health Card. Minister for Police, they are also happy with the extra 800—950 in total—police officers.

**Mrs M.H. Roberts:** Yes, an extra 950 will make a huge difference.

**Mr D.R. MICHAEL:** It will make a huge difference in our community, especially in the fight against meth, which is doing so much damage. We are doing all that we can with the McGowan Labor government's Methamphetamine Action Plan to tackle that issue from the point of view of not only enforcement, but also recovery for those who want to get off meth.

I turn to my electorate. While I have the chance, I want to remember some local community heroes who, since the last time I had a chance to make a contribution like this, are no longer with us. I refer to some Labor Party stalwarts: Arthur Freeman, Neil Byrne, Ken McCallum and Fred Membrey. Fred's obituary was in *The West Australian*. Fred lived on Cape Street in Yokine. I always received correspondence from Fred, who was a member of the Proportional Representation Society of Australia, about outlawing the least democratic voting system in Australia, which is first-past-the-post. We are almost there; unfortunately, local government in Western Australia still has it. Having read his obituary, I did not know that a long time ago, Fred stood as a candidate for the seat in Merredin. I am sure that the Merredin would have been a much better place had he been elected its member. When Fred was 15 years old, he joined the railways as a junior clerk. When he turned 18 in January 1944, he enlisted in the Royal Australian Air Force and qualified as a wireless operator and air gunner. He was promoted to flight sergeant in 1945 and spent the remainder of the war patrolling the Australian coastline. He went on to a very distinguished career with the West Australian Government Railways and was an original member of the Western Australian Railway Officers' Union, which is now part of the Australian Services Union. Fred was a Labor Party member for more than 70 years. He was a booth captain at Tuart Hill Primary School. I live close to that booth and have been the booth captain many times. It is very sad that Fred is no longer with us.

Ken McCallum, another old branch member, passed away unexpectedly earlier this year. He did a lot for sport and junior sport in our community at the Inglewood Bowling and Sports Club and the Mt Lawley–Inglewood Cricket

Club. He used to help run the junior and senior competitions. Ken was also a staff member in the electorate office of John Kobelke. He did a lot for Balcatta and for the Balcatta branch of the party. I pay tribute to Ken.

I am sure that all Labor Party members knew Neil Byrne. He ran Stirling Labor and the Stirling campaigns. He was a long-term booth worker at Nollamara Primary School, near where he lived. He was an absolute legend. He was passionate about the Labor Party and was also a life member of the metal workers' union.

**Mrs M.H. Roberts:** And a champion of the Midland railway workshops.

**Mr D.R. MICHAEL:** Yes, he was very passionate about the Midland railway workshops. Neil was devastated when the Court government closed the workshops, depriving so many young Western Australians of apprenticeship opportunities and the opportunity to build trains in Western Australia. I am glad that the McGowan government will continue to do that with the new facility in Bellevue. Neil Byrne was a great bloke. Member for Midland, many of us want to see something done about the heritage of the Midland Workshops. I have always been disappointed with the performance of the Metropolitan Redevelopment Authority over its lack of action on the Midland railway workshops and the Midland railway workshops interpretative centre.

**Mrs M.H. Roberts:** And the Barnett government.

**Mr D.R. MICHAEL:** We toured there a year or so ago and saw the remnants of what the Barnett government did in ripping down the heritage signage. It had not opened for years. It is just disgraceful.

I will talk about just a few projects in the electorate of Balcatta. Recently, we opened the extension of the eastern side of the principal shared path between Glendalough station and Hutton Street—actually, it is a little further than Hutton Street—which includes a cycling tunnel under Hutton Street. Dressed in lycra, the member for Thornlie rode out to help us open it. I have received a lot of community feedback from people who are using that cyclepath and the pedestrian path to get to Glendalough station. In the past, cyclists would have to traverse busy roads, such as Scarborough Beach Road, to get to the station or to the footpaths on the other side of the freeway in the industrial area. Quite frankly, pedestrians were walking on the drainage easement on the side of the freeway to get to the train station, so things are much better. There is also an extra lane on the freeway, which has helped travel time, and the government recently announced that that stretch of the freeway will become a smart freeway. That will further ensure that locals spend less time in their cars to and from work.

Similarly, the northbound widening of the freeway is almost complete and will tie in with the Stephenson highway project. I have had to endure talking about the Stephenson highway project since I became a councillor of the City of Stirling. Multiple mayors have had to deal with it since the 1990s. I think it has been a ghost road on the old UBD map since the 1950s, and that is why it is called Stephenson highway, from the old Stephenson plan. The Stephenson highway project has finally received funding. The last bit of funding of about \$160 million came through in the federal budget last week. Stage 1 is about to get underway, with the City of Stirling leading that project. The planning of stage 2 has almost been done. When Hon Alannah MacTiernan was the Minister for Planning and Infrastructure, she set up the Stirling City Centre Alliance to plan for that road and what will become a city centre with lots of working, living and recreating around the train station and people hopefully not using cars. It was a bipartisan project. The member for Scarborough has been supportive of it, but during the Barnett government the project wound up. Six million dollars of council and state government funds were spent planning it and then nothing happened. It got so bad that the Mayor of the City of Stirling travelled to Canberra to speak with the federal government to ask for funding for it. Upon his return, he was hauled up to the then Minister for Transport's office, where he was told, "Don't you dare go and ask for money from Canberra for a project we don't agree on."

Can members imagine the former Barnett government telling a local government not to seek funding for a project that it had previously supported? That would be a really good thing to do! I hope the City of Stirling renames the road from Stephenson Avenue. We all know that it will never connect to Stephenson Avenue near HBF Stadium. The reserves are all there, but I do not think that will ever happen. I think Main Roads has an alternative plan in the 50-year plan, if it ever comes to fruition. I hope that the City of Stirling will look at a new name for this avenue that will connect Jon Sanders Drive to Mitchell Freeway.

Another good thing underway in Balcatta is the expansion of Osborne Park Hospital, a much-loved hospital in the area. The hospital has quite a wide catchment area, and it might have a bit of the member for Maylands' electorate as well. Through the expansion, a new six-cot level 2A neonatal nursery will be established, the maternity assessment unit will be relocated and upgraded, a new 16-bed rehabilitation ward will be constructed and a new integrated therapy hub will be developed. That means that local mums with low to moderate-risk pregnancies will continue to be able to give birth close to where they live. The new rehab unit will provide inpatient and outpatient services to thousands of people in the northern suburbs.

Obviously, Simon Millman, who is the member for Mount Lawley, the member for Kingsley, other members and I attended the sod turning earlier this year before the COVID pandemic hit. I know that work has been ongoing and I look forward to the opening of the first bit shortly and the rest of it in the middle of next year. Having said

that, I will continue to lobby for further expansions to Osborne Park Hospital. It is an important hospital that is in between Joondalup Health Campus, Sir Charles Gairdner Hospital and Royal Perth Hospital, so I would like to see it continue to expand.

[Member's time extended.]

**Mr D.R. MICHAEL:** I remember it was a rainy day back in late 2016 when I joined the then opposition leader, Mark McGowan, and the then shadow education minister, Sue Ellery, on the verge outside Balcatta Senior High School. My campaign team went to Bunnings on the way to get a tent so that we could stand under it while we announced to the media that we would spend \$10 million on Balcatta Senior High School. It was great. The Liberals promised to do it, given that it was an old high school on which no money had been spent for a very long time. When I first went there, I saw that the classrooms, the facilities and the science labs were not fit for purpose. The money was going to be for the redevelopment of the entire school, but then we thought that the Barnett government might close the school, so we heritage listed the front of it to ensure that it could never be sold. It ended up being half a rebuild and half a redevelopment. I got to tour the school on Friday last week with Helen Maitland, the principal, who has done a fantastic job managing the project and the students on site this year. I saw the new sports hall, fitness centre, performing arts spaces, administration facilities and staff areas, science labs and general classrooms. It was an absolutely amazing building program. It is of the same standard as Bob Hawke College, which is very good. It will make such a difference to children in that area. I had a laugh when the Liberals copied us in the week after we made the announcement. It had a crack in the local paper: "Labor didn't have a plan; it just put some money towards the school and there was no plan. We know what's needed and we actually have a plan ready to go." The reason it has taken four years to do this project is that there was no plan. There was nothing in the works, so we had to wait for that to be developed. I am really looking forward to the opening of the rest of the school in March, which is the old section that is now being refurbished.

There are lots of things going on in Balcatta. At the moment, business cases are being done for work on the intersection of Reid Highway and Erindale Road, with the support of the federal government, and hopefully it will come through with some money at a later date once we have done the business case. The Water Corporation—thank you to the Minister for Water—is fixing the Roselea Estate drain, which connects into the lakes at Stirling, the Roselea Estate Lake and the lakes in Princeton Estate, which are plagued by poor design and lots of rubbish, sediment and nutrients that come down the drainage system. We are looking to turn that into half a pipe and half a living stream to try to strip out those nutrients, and to put in a gross pollutant trap at one end. We are working hard on that with local residents.

I am looking forward to taking over the suburb of Westminster. The member for Mirrabooka has been a very good member. Because of her advocacy, we have been able to announce, as part of our \$5.5 billion COVID relief package, that \$10 million will be spent on a new primary school in Westminster. Again, that is sorely needed. That is not a promise; that is actually happening. We will also fix some amenity wall issues along Reid Highway, which has got busier and busier since the wall was installed in 1994. There is lots of noise and those sorts of things.

They are just a few things that are going on. I could go on for longer, but there are a few more speakers to go.

As government Whip, I hear lots of speeches in this place and I get to see lots of members. If I were to reflect upon some of the things that I have heard today and the performance of members of the Liberal and National Parties, I would have to say that Liberal Party members need to be better. I cannot believe how bad they are. They want to put the state in jeopardy for their own political purposes. They need to do better. In Australia, generally we have a two-party system and it works relatively well. I do not like their party and I do not like what they stand for, but I get on with some of the members here. I do not know what they are going to do. Their party is broken. They have an internal conflict going on. Late last night, we received from the upper house a message that condemned the McGowan government for a series of things. Members in that place spent time debating that motion rather than debating the industrial manslaughter legislation and getting it done, which is absolutely disgraceful. They need to have a hard look at themselves.

Talking about members having a hard look at themselves, I mean no malice towards members of the Nationals WA, but this will not be popular. I have a lot of time for some Nationals members, especially the member for North West Central, who comes from a very good family, just as I have a lot of time for some members of the Liberal Party. Nationals members are trying to create a division between the metropolitan area and the country for their own political purposes, whether it is about animal welfare standards, education or royalties for regions. If we put together the amount being spent from royalties for regions and the amount coming out of consolidated revenue for regional activity, we find that so much money is being spent in the regions, but they nitpick just for their own political purposes. I feel sorry for the farmers whom Nationals members seem to hoodwink into voting for them based on this false metro-versus-city paradigm that they are trying to create. It is really bad. It is not good for Western Australia and it is not good for this Parliament.

This is a great budget, Treasurer.

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**MR M.P. MURRAY (Collie–Preston — Minister for Seniors and Ageing)** [3.17 pm]: It is a little break in convention, I believe, for a minister to speak on the Appropriation (Recurrent 2020–21) Bill 2020 and the Appropriation (Capital 2020–21) Bill 2020, but this will be my last budget. I have seen good budgets and I have seen bad budgets, but I can honestly say that this is one of the best we have ever had, especially under the circumstances. The Treasurer has done a magnificent job. One morning when I was getting out of the car in the car park at Dumas House, I saw the Treasurer. He looked like he had the whole bankbook on his back: “How’s it going, Treasurer?” “Oh, my God. In a hundred years, I have to be the Treasurer when a pandemic hits!” I did feel sorry for him—for at least five minutes! It just shows the work that has been done to connect the community, the political system and the sporting system, which is my area.

We have a very good program in front of us, and I will talk about my area of sport. Under our COVID recovery program, a huge \$141 million will be spent on facilities across the board in Western Australia. That investment in sport and recreation is huge for not only the physical, but also the mental side of people’s wellbeing in Western Australia. At the same time, it delivers facilities that we are going to need into the future.

Sport and recreation is an essential part of our communities. If anything, this year has made us very aware of people’s need to be out and about, especially in our Australian climate. When the first shutdowns came, for a couple of weeks, it was very evident that people had to get out. People were walking as families out on the streets, down on the beaches and up in the hills. A huge number of people were using the pushbike trails; they are there for that purpose, but their use went up by about 200 per cent in some of those areas. We have to make sure that we have reasonable facilities into the future so that our children can be physically active along the way, and maybe, when I retire, I can get in some of that activity as well and get a little bit off around the middle. But, along the way, there are people who want to be disruptive. I look at some of the programs that have been put forward. Probably the top one is \$30 million towards the historic WACA ground and precinct redevelopment. Another one is \$20 million for the sporting and recreation precinct at Keirnan Park in Mundijong, where great growth is happening. I went out there with a former member and announced on behalf of the Treasurer the \$20 million investment for that area. Alyssa Hayden then made a press release that supported us quite strongly. It was titled, “Keirnan Park Recreation Precinct Guaranteed”. Now it is going to happen. The press release said —

“The WA Liberal Party and the Government have both committed to putting \$20m towards kick-starting the Keirnan Park Recreation Precinct, showing that there is a commitment to community sport on both sides,” ...

Unfortunately, she must have forgotten about that press release, because today I was asked questions on notice that are just a disruption of the process, whereby we have to go back and find out exactly what happened right back when the funding application was approved. Was there a process involved for approving the funding of this project? How was the business case assessed? One moment we have support in a press release; in the political sphere, we have a disruptive member who says on the outside that she is going to support us, yet at the same time pulls us apart. That is very, very disappointing, to say the least.

I have been told to shorten my speech; I do not know whether I will be able to, Leader of the House, but I will try. I know what he has threatened me with, and there are some things that most people would be very scared of!

Certainly, the \$10 million investment for the Baldivis community recreation centre will be welcomed in that southern corridor. Then we go north, with an investment of \$3 million for a youth innovation hub within the City of Wanneroo’s proposed southern suburbs library. That is only a couple of the investments that are spread right across the state. Then there are multipurpose investments, such as \$4.9 million to upgrade state government recreation camp facilities, including Ern Halliday Recreation Camp. If members get the chance, they should go and have a look at Ern Halliday Recreation Camp. It is varied, great, functional, and gives an opportunity to many kids who do not often get the chance to have that sort of fun in a community camp, because the government has supported those upgrades. In my area, although I cannot say it is in my electorate, there is J.E. Hands Memorial Park, or Hands Oval. The government has committed \$5 million to kickstart the rebuild of the Hands Oval facilities. It is a central area. I was down there for the grand final last weekend. The facilities are absolutely appalling. In fact, someone mentioned that my name is still scratched on the wall somewhere—it is that old. Certainly, we need to upgrade those facilities. It is a central facility that supports all the football and sporting clubs that play in the whole of the south west.

We can go up to Kununurra, to make sure that we are spreading funding all over the place. There is a commitment of \$3.2 million for a community water playground at Kununurra Leisure Centre. I take my hat off to my friend Josie Farrer, the member for Kimberley, who chased me around and harangued and harassed until that water park went where the people wanted it. Some local government people—all due respect to them—said that it should go in one place, but the community wanted to shift it. Josie sat down with the community and the local government and made sure that the water park will be located in the right place so that the kids in that area will be able to go to this water park for free. That is going to be a huge leveller in the town of Kununurra. It will help with health not only mentally, but also physically, and will keep kids out of hospital with ear and nose problems. That is what this

government of the day is really about. Again, it comes back to the Treasurer and the Premier looking at what we can do and how we can spread it around the whole of Western Australia.

How can I make a speech without mentioning the word “Collie”? I could not do that. I refer to the Collie–Preston electorate. It was quite remarkable the other day. I arrived home, three hours later than most people in this house. I drove home and I went to the office for a while. I heard a noise out the back, so I thought I had better go and have a look. I tiptoed out there, and there were two Liberal members going through my bin. I said, “What are you doing?” They said that they were like the National Party. I asked them what they meant by that, and they said, “Well, they’ve got a recycled ALP candidate, and we’re looking for one for the Liberal Party, because we haven’t found one at this stage!” They were going through my bin. I am not sure what they found, but we have not thrown too many out over the years. We keep it pretty tight, and we are stuck together very well as a community down there. But I must say, standing here, the town has had its challenges. One of those challenges was when people were on strike for six months. They took a pay cut of \$40 000 a year, and the community had to adjust. It was disappointing to see that not one Liberal or National Party person came down to talk to those people—not one. There was so much stress around readjusting housing loans and car loans; it was a different way of living after that. The rosters changed, which meant that people were split up, friends were split up, and it certainly did not help our community. But we got over that, because we are a resilient community, and we have moved on. For years and years, we have had ups and downs, as in any mining town, whether it be coal, iron ore or gold. Gold is up at the moment, but it was only a few years ago that it was down at the bottom.

I have another point to make, and I have a couple of articles to share. The first is Facebook post by the Leader of the Opposition. It is a photo of a snagger with “Vic” stamped on it. The article is about \$62 719 being spent on barbecues near Collie. The barbecues were ordered from a Victorian company. The Leader of the Opposition actually had the gall to come out and say that. After 10 years, eight of which were under a Liberal government, we are on the cusp of opening Lake Kepwari. We are nearly there. We spent \$5.2 million out there, and the only thing that the Leader of the Opposition can whinge about is \$62 000 that was spent on barbecues that I am told are not made in Western Australia. That is the best the Liberal Party can do. Honestly, it is an absolute shocker of an ad for the Liberal Party to have put out. What I can say is that when that work is being done, there are 12 guys on the machinery out there who are employed from Collie and a benefit goes back to the community. They are former miners who had taken redundancies and were very happy to be part of something that is going to help Collie into the future. The economic benefits and the interest from that is just absolutely huge. The only thing we got out of the Libs over eight years were job losses and pay cuts, yet here we are out there now reinventing the town of Collie and its surrounds.

That brings me to the Wellington Dam mural. As the Premier would say, it is the biggest dam mural in the world! It certainly is. That is getting very close to the first paint being put on the wall. It was quite interesting the other day to watch the guys who were cleaning the wall swinging off ropes from the top. It is a very high wall to be walking across and swinging off. It made me smile. The guys thought they had all finished and were getting ready to pack up and go home, and the artist had a look and said, “I’m not painting on that; that canvas is still dirty.” He sent them back up the wall and made them swing backwards and forwards and clean up that wall so that the mural will last into the future. But, again, we got criticism. The opposition criticises, but it is starting to see that we have a plan, and we have always had a plan for the future of Collie and its surrounds. I quote an ad from Steve Thomas that states, “Collie can’t be left behind anymore”. I just do not quite understand the text of it, which says —

For too long Collie has been taken for granted, especially by the Labor Party and the unions that run it.

... when Western Australia was going through the biggest mining boom in history, the iron ore boom over the last twenty years, there was a great opportunity to diversify the Collie economy. But we reached 2020 without a ... plan ...

Who was there? Who was in that government? It goes on —

It is good to know the current State Government is putting money into the problem ...

He then praises us and says that they knew this was coming for more than 10 years. Eight of those 10 years were under the Liberal government, and it did absolutely nothing. Now we have a plan.

Money has been made available to help diversify the Collie economy. There is \$60 million for the Collie industry attraction and development fund, which has already worked miracles. A fire engine building company has already relocated to Collie. When that is finished, it will employ around 20 people. The government itself relocated what I will call the electricity energy call centre. People can ring the centre to get their licences for energy requirements et cetera. That has created 10 jobs. We are now up to 30 jobs without even blinking. If we add the other 10 jobs that are out at Lake Kepwari, that makes 40 jobs. Then we have the training centre that will employ another 20. When we put them all together, we are starting to make a town that will be resilient into the future. When we look further, we see that we are on the front foot at the high tech end of the world, with the driverless truck training centre—the only one in the Southern Hemisphere—funded from the Collie Futures fund. It has been a very successful project

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in more ways than one. It put Collie on the world map; people are looking to see where it is. We now have over 200 people a year being trained through that centre who stay in hotels in the town and spend money on food et cetera.

I go to the heritage of the town and the \$1 million upgrade to the Collie Roundhouse. I have a very big interest in that project because 12 years before coming into Parliament my promo to get into local government was that I would fix the roundhouse. Do not worry, it is only 32 years later, but we got there! I can really claim it. I started at that end and I will finish at the other, but with only 32 years in between. How much of that was Liberal time? Think about it. We were able to do that only recently.

I am running out of time very quickly, but there are a few other major issues in the electorate. The spend of \$8 million on Collie Senior High School to have new classrooms et cetera was promised at the 2012 election by the Liberal Party under Barnett and candidate Jamiee Motion. The Liberal Party was then elected but did not honour its promise. In three years, our government had the build and utilisation of that straight up and out, because we said we would do it. We have continued to do that in many other areas, including a \$5 million spend for the community college, a \$3 million spend for Eaton Primary School, a \$1.5 million spend for Glen Huon Primary School and a commitment to spend around \$15 million on the Australind Senior High School future build, which is much needed. People in that area travel many kilometres to go to that school.

As I said, it is not really a convention that I get up here to speak, but I had to get up and remind people that there is one party that has looked after Collie this whole time. At other times we have been ignored and neglected. At times it has been tough, because changes have to be made if we want to survive into the future, and it certainly has to be tough. How electricity is produced in the way forward, with the uptake of wind and solar, means coal is diminishing, but the Labor government will give a commitment that we will still have some coal burnt in the next 10 or 15 years. That gives confidence to the town, but at the same time we must build around the outskirts for when the day comes when we say, “No more”. Without the help of the Treasurer and the Minister for Energy, I would not have been able to stand on the stump out there and say those things. Of course, I thank the Premier, who has been to Collie probably more times than most, and probably visited Collie more than any other town in Western Australia.

**MR K.J.J. MICHEL (Pilbara)** [3.35 pm]: I rise to make some comments on the Appropriation (Recurrent 2020–21) Bill 2020 and the Appropriation (Capital 2020–21) Bill 2020 and what the budget means for Pilbara households and businesses. I thank the Treasurer for delivering a budget that really demonstrates that one would not want to be anywhere in the world but in WA right now. I thank Minister Dawson for coming to Karratha and Port Hedland last week and presenting the 2020–21 state budget to Pilbara locals, who were very pleased to see that our government has committed to keeping Western Australians safe and our economy strong. I thank the Premier for his leadership through the COVID-19 crisis. I am proud to work with him to deliver the plan for the Pilbara.

From my conversations with local residents, I know that the major \$600 electricity credit announced in this budget is a very welcome relief for Pilbara households. We all know that people in the Pilbara need to keep their air conditioning on all the time, which affects every household’s power bill. The \$600 electricity credit has never been done before in this state. I am very proud that we as a government have been able to do this. It is the first time in 15 years that household fees and charges have been dropped. When this announcement was first made, I was approached by constituents who live in towns such as Newman, Wickham and Dampier who were concerned that they would miss out on this credit. For the benefit of the metropolitan members on the other side of the chamber, constituents in those town are not billed directly through Horizon Power. As members heard during question time, we are working on this issue. I have raised this issue with the minister and followed up to ensure that those locals will get access to the \$600 credit through an application process that will be released in the near future. I have had a lot of interesting conversations with locals in the Pilbara community that are billed through Horizon Power. It was interesting to hear during question time the member for North West Central questioning the \$600 credit for Pannawonica and Wickham and then to hear Hon Jacqui Boydell in the other house say that it should be means tested. That is ridiculous; it is not acceptable. We do not really know where the members of the Nationals WA stand on the \$600 credit, but we will keep moving forward and we will keep trying to get the \$600 credit to everyone in the Pilbara.

The police in Newman are doing a fantastic job, and the additional youth policing officers will be able to focus on tackling juvenile offending by engaging young people with meaningful activities. There are positive impacts that local Newman police are making through initiatives such as the remote school attendance program to help get children to school, which is increasing school attendance. Of course, the budget also provides for \$4 million to establish a new residential facility for Martu students in Newman that allows Martu children to have a good education in Newman while staying on country. Thank you again to our local police in the Pilbara for doing a fantastic job.

Our government has a track record of delivering the policies and projects that Pilbara locals have wanted to see for a very long time. This budget builds on that track record by reinvesting in communities that are the backbone

of our state's economy. We are delivering on the Spoilbank Marina, the Newman Hospital and the famous Manuwarra Red Dog Highway that connects Karratha to Tom Price.

A lot of local residents are worried that a Liberal government would still plan to privatise Horizon Power, a sale that would increase electricity prices for Pilbara households. We are yet to hear from Nationals on whether they are committed to keeping Horizon Power in public hands, but I am sure we will hear from them soon.

Another announcement that local Pilbara residents are very pleased with is that the McGowan government will be delivering on community safety by providing 800 additional police officers across the state. Due to the excellent work of our local police officers in the Pilbara, we are seeing very positive statistics, with crime levels dropping in the Pilbara. I would like to take this opportunity to thank our police officers, once again, for the excellent job in keeping WA and our Pilbara community safe. I am proud that the McGowan government will be recruiting and training another 800 police officers over the next four years, which means this government will increase our police force by 1 120 officers by the end of the next term of government. A local example is the announcement earlier this year of two full-time youth policing officers based in Newman.

The Pilbara community is proud to see a budget that delivers huge investments in TAFE, schools, roads, housing and community services, the likes of which have never been seen before in this state. A pipeline of short and long-term jobs will be created by investing \$27 million into building new workshops and classrooms at South Hedland and Roebourne TAFEs, allowing Pilbara students to be trained here in the jobs of the future. That investment in our local TAFEs will train locals in jobs tailored to meet resource sector requirements. That means a graduate from a school like Hedland Senior High School can go to TAFE and receive training as a plant operator or training in engineering so they can gain employment in the industry and stay in the Pilbara. That is how we build the Pilbara—by providing training to our locals so they have the best chance at local jobs over fly in, fly out workers. There is \$25 million for free TAFE courses across the state to upskill locals at North Regional TAFE and \$32 million to significantly reduce TAFE fees in the trades that we need locals employed in the most.

These are very welcome investments in TAFE and it shows our commitment to preferencing and promoting local jobs for local residents over fly in, fly out workers. We are delivering over \$70 million to upgrade and expand schools in Roebourne, Karratha, Newman and Wickham. That includes \$42 million to redevelop Roebourne District High School from kindergarten to secondary school. I am looking forward to continuing consultation with the traditional owners, elders and the Roebourne and Wickham communities to ensure that we start a whole new positive chapter for Roebourne District High School—a school that the previous government neglected.

The previous government sat on its hands with these major projects. The McGowan government members have listened to Pilbara locals, rolled up their sleeves and had tenders out to deliver these projects. For example, the Newman community has asked for the Newman Hospital for decades. The Premier had a very warm reception when he came to Newman to turn the sod on this redevelopment and spoke to locals about how important this project was for the community.

The Spoilbank Marina was promised for so long by the Liberals and Nationals and I am proud that we have released the bulk earthworks tender for that project, with more than 80 businesses with a Pilbara presence expressing their interest to work on this local project. The tender process permitting, the Port Hedland community can expect to see earthworks beginning in January, creating over 200 local jobs during construction and transforming the Port Hedland waterfront. The Pilbara community and I are looking forward to these major local projects being completed over the next few years.

We already announced this earlier, but the near \$17 million investment in Hedland Senior High School is fantastic for the Hedland community. We have had members of the National Party attack this funding, which is very disappointing to hear. The issues at that school were not new. The school is nearly 50 years old. We have to ask why the infrastructure issues were never addressed for the last eight years that the Liberals and Nationals were in power. I am proud that the McGowan government is going ahead with this major refurbishment, and the scope of works is due to be completed in January 2021. Hedland Senior High School is a fantastic local school and I look forward to continuing to work with the school community.

Also in Port Hedland, Cassia Primary School, Cassia Education Support Centre, Baler Primary School, Port Hedland Primary School and South Hedland Primary School have recently received millions of dollars towards upgraded facilities through the high priority maintenance and minor works program, including a \$2 million administration building at Cassia Primary School. We are spending \$80 million to refurbish 2 500 Government Regional Officers' Housing properties across the Pilbara. When I was elected in 2017, I would hear a lot about ageing housing stock, which is why I welcome the \$141.7 million announced in this budget to refurbish around 130 social housing properties in the Pilbara. That is a huge investment that will not only refresh our housing stock across the Pilbara and ease waiting times, but also create a pipeline of local construction jobs.

We are also investing \$10 million through the regional road safety program to upgrade 85 kilometres of roads across the Pilbara to keep our roads safe and create local jobs. I am very proud of this government's unprecedented investment in Pilbara regional roads since we have been elected, with successful projects such as the realignment

of Marble Bar Road and Great Northern Highway in Hedland, and stage 3 of the Manuwarra Red Dog Highway, not to mention road upgrades across the Pilbara. I thank the Minister for Transport for listening to my concerns about road safety in the Pilbara when I was elected. I thank her for the excellent work she has done so far as minister and I have been told that there is more to come.

I have been fighting hard to upgrade our local tourism industry, and I am proud that this budget will deliver \$10 million to build the Murujuga National Park access road to support the redevelopment of the living knowledge centre and the Burrup Peninsula's World Heritage listing. The budget also includes over \$1 million to upgrade facilities at Karijini National Park, nearly half the million dollars toward upgrading our visitor facilities at national parks across the Pilbara and funds to support tourism development at the Two Mile Ridge site in Hedland.

I would like to note some of the commentary lately about royalties for regions. It is very interesting to see that division is already building between the Liberals and Nationals over royalties for regions. I am proud that our government maintains the strong \$4 billion commitment to royalties for regions, as well as investing a considerable amount of money in regional infrastructure through the consolidated account. I am out in the Pilbara speaking to locals all the time and they are concerned that the Liberal Party will completely destroy royalties for regions, as said by the former Leader of the Opposition.

The Pilbara community is happy to see a McGowan government that is financially responsible and is securing a budget surplus for our state's future. I would like to congratulate the Premier, Mark McGowan, and the Treasurer, Ben Wyatt, on delivering a state budget that keeps Western Australia safe and strong. This is a budget that protects the health of the community and is leading the state's economic recovery from COVID-19 by creating opportunities for local businesses and jobs for Western Australians. I am proud to see that Pilbara households and businesses are big winners from the state budget. Thank you, Treasurer, for your budget.

I commend the bills to the house.

**MR B.S. WYATT (Victoria Park — Treasurer)** [3.49 pm] — in reply: I thank all members for their contributions to the debate on the Appropriation (Recurrent 2020–21) Bill 2020 and the Appropriation (Capital 2020–21) Bill 2020. Obviously, it has been a long three days as people from both the opposition and government have replied to the budget. I would like to thank all members for their contributions, some of which have been interesting whilst others have very strongly reflected on their electorates. I note the member for Southern River's contribution in particular. I think he named every member of his electorate in his speech—every single one of them in his half an hour—and he did it well. Members will be pleased to know that I do not intend to speak for long. We have budget estimates next week and a chance to go through the budget in detail.

I want to reflect again on the jobs numbers. We are in an interesting environment with the jobs numbers through the Australian Bureau of Statistics. They are so volatile and there is so much going that it slightly distorts things to produce all sorts of incredible reactions. I have done many a press conference in which I have tried to emphasise the link between the unemployment rate and the participation rate and how I expected to see—this probably goes back to June or July—a year or so of slightly contradictory numbers with jobs growth as well as unemployment rate growth on the back of participation change. We certainly see that today with Victoria's figures. Victoria came in with an unemployment rate of 6.7 per cent on the back of the loss of over 30 000 jobs and a decline in the unemployment rate compared to August. Similarly, Queensland's unemployment rate today is 7.7 per cent on the back of the creation of about 50 000 jobs, but their unemployment rate went up. There is obviously a lot of noise in the data and the vast differences in the participation rates are quite extraordinary. Something that is not often reported but in the same series of data that the ABS puts out is the employment to population ratio. That tries to look through the impact of the participation rate on those numbers. With the employment to population ratio, Western Australia is comfortably the highest of the states. At 63.2 per cent, we have the greatest amount of employment per head of population by a long shot. We are not as high as the Australian Capital Territory, unsurprisingly. The ACT is a very high-employment territory because it is driven by the commonwealth government. Although this series of data will be noisy for a while, it is certainly telling a very positive story—more positive than I thought it would be by this time after that contraction in the June quarter.

I was particularly pleased to see—I will not talk go through this in great detail; I mentioned some of this in question time today—that although a lot of the jobs that were lost are very much dominated by females, they are also coming back in at a faster rate. I made the point that the female unemployment rate at 6.3 per cent is lower than the male unemployment rate in Western Australia at seven per cent. The underemployment rate fell again to 9.3 per cent, the lowest of all the states. These are still high numbers historically; there is no doubt about that. There is more to be done around this, but it is certainly positive employment data.

I have made the point a few times that historically, youth unemployment, for whatever reason, does not directly connect with what the economy is doing. During the mining boom in particular we saw quite a high youth unemployment rate despite the broader unemployment rate being three and four per cent in front of it. It was good to see this in



the September data. Although the unemployment rate rose to 14.3 per cent, it was really driven by a significant surge in the participation rate because in September, 6 400 jobs were created and taken up by youth, which is a good sign.

I will quickly reference this next matter because there has been some commentary on the movement of dividends from 2019–20 to 2020–21. I want to emphasise that this is not an unusual thing. In my first budget, the 2017–18 budget, we deferred dividends from one financial year to the other. Treasurer Troy Buswell did the same thing on a number of occasions in his budgets. All sorts of conspiracies were floated about why we did it, but the reason was highlighted in the *Annual Report on State Finances* released in late September. I will quote from page 7, and remember that this is the 2019–20 annual report, so it reflects on the revenue for 2019–20. It states —

- lower revenue from public corporations (down \$839 million), largely driven by:

It then sets out all the dividends that were deferred —

... to reduce the need for new borrowing late in 2019–20 during a period of financial market uncertainty resulting from the COVID-19 pandemic; ...

This was emphasised on page 261 of budget paper No 3, appendix 8 “Western Australia Treasury Corporation Borrowings”. This makes the point that I have just been talking about. As time goes by, people forget; their memory is short. There was an incredible disruption to the financial markets, the bond markets in particular, and whilst in the short term they remained liquid, it was really that long term in which they were disturbed quite rapidly. If we go back and look at the graph now, the WATC 10-year spreads widened to the commonwealth by over 30 points in less than a week. Its volatility was dramatic. There was very much a plan to smooth the revenue forecast and expectations over the forwards that drove that decision. There was no grand conspiracy around trying to manufacture surpluses et cetera that was alleged. It was simply the advice given by the Treasury Corporation around managing the borrowings of the state. I think that has worked out well in terms of the demands that we have around funding requirements of government, which are significant, as the point has been made, with an increase in net debt of over \$8.3 billion over the forward estimates.

One thing that has not been mentioned—I cannot remember whether I mentioned it in the last week—is the area that has seen a decline in spend: interest costs. Despite the significant \$8.3 billion increase in net debt across the forward estimates, we have actually written down by nearly \$200 million the amount we expect to spend on interest because of the record low interest rates in not just Australia, but around the globe. People need to reflect upon that when they talk about sustainability of the debt. The cost of that debt, despite being \$8 billion higher, is lower than that projected in the *Government Mid-year Financial Projections Statement*. I want to emphasise that because the majority of that debt is going into infrastructure because the operating balance is in surplus. I am not borrowing to fund the salaries of our public servants. That borrowing is going into infrastructure. That has not been mentioned by opposition members in their contributions but it is important to emphasise in conclusion.

That is all that I intend to say tonight. We have budget estimates next week. Again, I want to thank all members for their contributions. On reflection, out of my four budgets, this is my best one simply because of the circumstance in which it was set.

**Dr D.J. Honey:** Self-praise, Treasurer.

**Mr B.S. WYATT:** Ultimately, the one thing I can do in this job is to give myself some self-praise occasionally simply because of the circumstances in which this budget was set. I am really pleased that we have found ourselves in a position in which the virus is very much under control in Western Australia. To be honest, Australia compared with the rest of the planet is doing an incredibly good job, but Western Australia is leading the nation in that regard. We have been able to produce a set of figures with an expected surplus in this current year that is broadly balanced over the forward estimates. Job and employment growth are expected, and that should be celebrated by every Western Australian. We have been able to do that because of the discipline of Western Australians. They did what they needed to do to contain the virus early, which made sure we did not have any extended interventions in the economy to fight the health pandemic. With that short contribution, again, I thank my colleagues.

Questions put and passed.

Bills read a second time.

Pursuant to standing order 222, bills and estimates referred to Estimates Committees A and B.