Parliamentary Debates

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LEGISLATIVE COUNCIL

Thursday, 7 September 2017

Legislative Council

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THE PRESIDENT (Hon Kate Doust) took the chair at 10.00 am, and read prayers.

DAVID DRISCOLL — PARLIAMENTARY SERVICE — RETIREMENT

Statement by President

THE PRESIDENT (Hon Kate Doust): We are very fortunate in this Parliament, and particularly in this Legislative Council, to be blessed with wonderful staff who look after us and ensure that everything we do looks and sounds very good. On Friday one of our stalwarts of the Legislative Council will have his last day with us and I want to acknowledge his service.

David Driscoll from our committee office will draw to a close his working life after a 21-year parliamentary career. David has been an institution at the Parliament since starting in joint-house services as a security officer in March 1996. He then commenced his long association with the Legislative Council in April 1999 as a committee clerk. I first met David when I was elected to the Council in 2001 and wandered down to the committee offices at 1100 Hay Street as a member of the Standing Committee on Legislation.

Over the years David progressed to being a senior committee clerk and to his current position as parliamentary officer (committees). He has provided outstanding support to many committees during his parliamentary career, including ones that I have served on. Last year I enjoyed his company at a committee hearing in Kalgoorlie. As the manager of committee clerks, David has ensured that committees have had high-quality support for their inquiries, and he has also reprised his role as committee clerk when workload demands required his services.

On the social side, his co-stewardship of the Parliament House wine club and the many memorable bus tours and tastings have introduced and fortified—if that is the correct word!—many a staff member's and member of Parliament's appreciation of wine. David will now have more time to devote to, hopefully add to and also, no doubt, subtract from, his extensive and very personal wine cellar.

On behalf of all members of the Legislative Council that you have assisted, both past and present, I thank you, David, for your service to this house and to the Parliament. I am sure that all members will join with me to wish you all the best for the coming years as you enjoy the fruits of your labour with your wife, Nora, and your two sons, Cameron and Christopher. Good luck and good wishes from all of us.

Members: Hear, Hear!

BUDGET SPEECH

Statement by President

THE PRESIDENT (Hon Kate Doust): As members would be aware, today the budget will be delivered and I remind you that at 2.00 pm today the budget speech will be read into this chamber by the Minister for Environment in his representative capacity.

HEALTH PRACTITIONER REGULATION NATIONAL LAW (WA) AMENDMENT BILL 2017 — STANDING ORDER 126

Statement by President

THE PRESIDENT (Hon Kate Doust): I have a ruling. Last night Hon Nick Goiran sought a ruling on whether the Health Practitioner Regulation National Law (WA) Amendment Bill 2017 was a bill to which standing order 126 applies. Standing order 126 relevantly states —

> (1) During the second reading speech of a Member in charge of a Bill, the Member shall advise the Council whether or not the Bill is a Uniform Legislation Bill and shall give reasons as to why.
>
> …
>
> (3) The Council may order that a Bill is a Uniform Legislation Bill notwithstanding contrary advice from the Member in charge of the Bill.

Standing order 126 was one of many standing orders that were amended from the start of 2012. The subcommittee of the Procedure and Privileges Committee that reviewed the standing orders set out its recommendations in its twenty-second report of 2011. Pages 11 and 12 of that report set out the new arrangements under standing order 126 and made the following points, which I summarise. Standing order 126 was to replace the practice of the Clerk advising the President on whether a bill should be referred and the President ruling accordingly. It was appropriate that the decision-making process regarding which bills are referred to a committee should be a matter exclusively for the house, and in first instance the member in charge of a bill shall identify whether standing order 126 applies. The one or two-week period in which the second reading debate on a bill is adjourned following introduction

provides an opportunity for each member to review the bill and explanatory memorandum, take advice and to make their own inquiries. Standing order 126 provides that the house may order that a bill is a uniform legislation bill, notwithstanding the contrary advice of the member in charge of the bill. A member may move a referral motion in accordance with standing order 126(3) without notice upon resumption of the second reading debate on the bill. The 45-day period for the Standing Committee on Uniform Legislation and Statutes Review consideration of any bill does not commence until the bill is referred by the house.

I therefore make no ruling about whether the bill should be referred under standing order 126. It is a matter for the house itself to determine. I will, however, provide some guidance to members. I note that in the parliamentary secretary's second reading speech on the bill she acknowledges that the bill amends a national scheme established in 2010 in accordance with the Council of Australian Governments Health Council intergovernmental agreement. In its fifty-second report of June 2010, the Standing Committee on Uniform Legislation and Statutes Review scrutinised the original national scheme. Under both previous standing order 230 and the current standing order 126 it has been the practice of this house not to refer bills to the committee that make only minor amendments to existing schemes that have been previously scrutinised. As to what amounts to a minor amendment, that is, at least initially, a matter of judgement for the member in charge of the bill. It may then subsequently become a matter for determination by the house upon a motion without notice by any member seeking to refer the bill under standing order 126(3). I remind members that the appropriate time for moving a motion without notice under standing order 126(3) is when the order of the day is called for the resumption of the second reading debate on the bill.

DEPARTMENT FOR CHILD PROTECTION AND FAMILY SUPPORT — EMMA WHITE

Statement by Leader of the House

HON SUE ELLERY (South Metropolitan — Leader of the House) [10.08 am]: I rise to make an explanation to Hon Nick Goiran in relation to his member's statement last night and comments he has made on earlier occasions. Firstly, I take responsibility and apologise to the house for the discrepancy in the answers I provided to this chamber regarding the resignation of Ms Emma White. I now also provide the explanation of the Minister for Child Protection regarding the discrepancy in the answers and circumstances surrounding Ms White's resignation. She states —

> I apologise to the house regarding the answer provided on 15 August 2017 advising that the Public Sector Commission was best placed to answer these questions. While the commission could not have known what was said in a meeting between myself and Emma White, I did not want to create confusion surrounding the resignation of Ms White, and in my opinion the Public Sector Commission, as Ms White's employer, was best placed to provide the reason surrounding her departure from the public service.
>
> In that meeting with myself and the director general on 19 May she advised me that she had been offered a Boston scholarship, something that she had been deferring for some time, and the redundancy of her position due to machinery-of-government changes provided an opportunity to take that up.
>
> I expressed to her that we did not want her to leave the public sector and the esteem to which she was held by both myself and the sector a large; however, her mind was made up.
>
> For the benefit of the member, Ms White made contact via email with her employer, the Public Sector Commission, on 17 May regarding a redundancy, and that was followed up with an in-person meeting with the commissioner on 18 May.

DISALLOWANCE MOTIONS

Notice of Motion

1. Shire of Donnybrook–Balingup Waste Local Law 2017.
2. Shire of Donnybrook–Balingup Animals, Environment and Nuisance Local Law 2017.
3. City of Nedlands Waste Local Law 2016.

Notices of motion given by **Hon Robin Chapple**.

ELECTORAL AMENDMENT (ACCESS TO MINISTERS) BILL 2017

Introduction and First Reading

Bill introduced, on motion by **Hon Alison Xamon**, and read a first time.

Second Reading

HON ALISON XAMON (North Metropolitan) [10.12 am]: I move —

> That the bill be now read a second time.

The Electoral Amendment (Access to Ministers) Bill 2017 is designed to prevent the promotion of functions, gatherings, meetings or events aimed at raising funds for a particular political party on the basis or suggestion that attendees will thereby gain access to a minister. It should go without saying that selling access to ministers for the

purpose of political fundraising is a fundamental breach of democratic principles. Ministerial appointment is a privilege bestowed upon some members of Parliament when their political party wins the right to act as the executive arm of government. As the principal executive officers of government departments and agencies, ministers are key members of the executive. They are individually responsible for the administration of Western Australian government departments and agencies within their portfolios. Ministers have legislated authority to grant permits, approvals, licences, land rezoning, grants, loans, ex gratia payments, dispensations and a wide range of other legal and administrative mechanisms of benefit to individuals and companies. The extent and nature of ministerial power demands that ministers make decisions according to law and act fairly and in the best interests of the entire community. This bill improves the capacity of ministers to exercise their powers fairly by preventing a political party from selling access to ministers to raise political funds. It is in the interest of every Western Australian that we protect the ability of ministers to do so.

Ministers often contend that they have no knowledge of political donations and that even when they do, they would never allow major donors to influence government decisions. Irrespective of intentions, party fundraisers that promote or imply special access to ministers suggest that attendees may have some influence over the exercise of ministerial decision-making power or discretion. Widespread perception of corruption in the government decision-making process has the capacity to adversely affect the proper working of our system of democracy. This bill will go some way to ensuring that a political party does not receive financial benefits for events that sell special access to ministers. In so doing, the bill will enhance public confidence in the integrity and transparency of the executive and the process of government decision-making.

In addition, all political parties in a democracy are entitled to compete freely with each other for legal control of the institutions of state power. However political fundraisers that promote ministerial access can be offered only by the party in office. As such, these fundraisers simultaneously compromise the political playing field and trivialise the importance of ministerial positions. Ministerial titles deserve greater respect. They should not be shamelessly exploited as a mere perk of office. This bill goes some way to respecting and protecting the important role that ministers occupy within the executive.

The bill is very simple. It creates a new section 176 in the Electoral Act 1907. The operative provision reads as follows —

> (2) A person must not promote a political fundraising event in a way that indicates —
>
> (a) that a Minister will be present at the event; and
>
> (b) that other persons attending the event will have access to the Minister at the event or in association with the event.
>
> Penalty for this subsection: a fine of $10 000.

The bill also creates an additional offence for persons who organise, hold or conduct a political fundraising event that is promoted in a way that contravenes the offence set out in proposed subsection (2). Any person found guilty of this offence will also be liable for a fine not exceeding $10 000. This additional offence will extend the scope of the bill to organisers and facilitators of political fundraisers that advertise ministerial access at or in association with their event. This will act as a further deterrent to political parties seeking to abuse ministerial titles for their own financial gain.

I want to note the limits of bill. It is important to recognise that within the Western Australian constitutional system, ministers are also members of Parliament elected by and accountable to their electorate. To represent their constituents effectively, members of Parliament must be permitted to listen to and consult with their constituents. The Greens do not seek to compromise this role. Therefore, the bill will not prohibit political party fundraisers that advertise access to any member of Parliament in their capacity as a member of Parliament. Consequently, if political parties wish to raise party funds by charging Western Australians for access to their current elected representatives, they can continue to do so. Neither will the bill prohibit promoting access to ministers at charity fundraisers. Ministers should be able to use their ministerial status to promote altruism and philanthropy in the community and raise funds for charitable activities. This bill will prohibit only the exploitation of ministerial status for the financial benefit of political parties.

This bill provides a simple and effective means to assist in safeguarding one fundamental component of our democratic system. It will go some way to improve public confidence in government decision-making and ensure that ministers do not provide any party with a sure-fire way to generate political funds.

Pursuant to standing orders 126(1), I advise that this bill is not a uniform legislation bill. It does not ratify or give effect to an intergovernmental or multilateral agreement to which the government of the state is a party, nor does this bill by reason of its subject matter introduce a uniform scheme or uniform laws throughout the commonwealth.

I commend the bill to the house and table an explanatory memorandum.

[See paper 470.]

Debate adjourned, pursuant to standing orders.

PILBARA PORT ASSETS (DISPOSAL) REPEAL BILL 2017

Second Reading

Resumed from 15 June.

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Environment) [10.18 am]: I indicate that I am the lead speaker on the Pilbara Port Assets (Disposal) Repeal Bill 2017. However, I do not propose to take unlimited time.

I thank Hon Robin Chapple for bringing this bill to the chamber. As I share the same electorate as he does, the Mining and Pastoral Region, I too have some concerns about the Pilbara Ports Assets (Disposal) Act 2016. After having looked at the debate in *Hansard* on the Pilbara Ports Assets (Disposal) Bill 2015, I note that I raised a number of concerns at the time about my electorate and the fact that not a great deal of consultation had taken place. In fact, I referred to correspondence that members in this place at that time had received from the Association of Mining and Exploration Companies, which had expressed fairly strong concerns about the fact that it had not been properly consulted on the bill.

Members may recall—Hon Robin Chapple reminded us in his second reading speech—that in March 2016, the Pilbara Port Assets (Disposal) Bill 2015 was sent off to the Standing Committee on Legislation for consideration. The committee undertook some fairly detailed work at the time. It called for submissions and received, I think, about 20 written submissions from various stakeholders. It advertised its inquiry in *The West Australian* and regionally, and it publicised its hearings through the Legislative Council's social media accounts. It also held a number of hearings right around the state over a number of days and invited views from the community about what should happen with the bill. The committee delivered a fairly detailed report with a series of recommendations, but I remind members that at the time there was no recommendation made to not pass the bill; it simply asked for various other things to be taken into consideration. For members who do not know, the Utah Point bulk handling facility is a multi-user berth that is part of the Port Hedland port, which is currently managed by the Pilbara Ports Authority. Under the policy of the former government, the Department of Treasury conducted some analysis on the potential sale of the facility versus a long-term lease, but no formal market process was conducted or has been conducted by either the last government or this government subsequently.

Obviously, after this house sent that bill off to the committee, it came back. I recall that it was Hon Jacqui Boydell who referred the bill off to the committee at the time, and I am pleased to say that Labor and the Nationals worked together at that stage. We, too, had the view that it should go off to the committee, and it did. The committee ultimately made 17 recommendations, 12 findings and three minority recommendations. Hon Robin Chapple was a member of that committee, and I think he led the charge in relation to the minority recommendations. There was also one minority finding.

Once debate on the bill resumed, Hon Michael Mischin, as minister representing the Treasurer at the time, outlined in detail his government's response to the committee's recommendations. The key amendment that arose out of that debate related to clause 47, which related specifically to the preservation of rights to future access by the current users of the facility—what we commonly refer to as junior miners. That process obviously allayed the concerns of Hon Jacqui Boydell and the National Party because the Pilbara Port Assets (Disposal) Bill 2015 was subsequently passed by the Parliament late last year, on 17 November 2016. That enabled the then government to undertake a divestment process for the Utah Point facility under certain terms and conditions, subject to its decision. However, because the legislation was passed late last year, very close to the state election, it was too late for the previous government to carry out its plans, so it put the sale of Utah Point on hold until after the 2017 election. Here we are, six months later, and I have to indicate to Hon Robin Chapple that the McGowan government does not support the Pilbara Port Assets (Disposal) Repeal Bill 2017, which he introduced. Since the election, we have not yet made a decision about whether the process should continue or proceed in another form or at another time. We believe that to simply scrap the act in its entirety without proper consideration of the issues is inappropriate and probably not sound policy. Sometimes in this place, when we change sides of the chamber, our views become more flexible! But we had the debate in this place, and members opposite won that debate. The legislation was passed and there is now a current act, so we want to take our time to consider it properly and go through the issues. We do not believe that simply scrapping the act, as Hon Robin Chapple is asking us to do, is sensible or sound policy.

Hon Robin Chapple: I would have thought that after a year's debate in this chamber and the abject objection of the Labor Party, we could have assumed that you were opposed to the sale.

Hon STEPHEN DAWSON: Honourable member, we are a very sensible government, and obviously the state's finances are in a very poor condition. But one of the things that was said at the time—certainly I said at the time—was that I was concerned that if the bill were to be passed last year, it would be a fire sale. It was going out to market at a time when the economy was really bad and we were not necessarily going to get the highest price for Utah Point.

Hon Robin Chapple: $500 million is not a fair price?

Hon STEPHEN DAWSON: I am not the Treasurer; I am not the person who decides how much is a fair price. However, at the time we said that when the market is depressed, it is the wrong time to sell assets. Members will recall that the previous government had three assets in particular that it sought to sell off, and we expressed concerns about all three. We said, "You shouldn't be undertaking a fire sale." The previous government did not, because it passed this legislation too late in the year, but the legislation was passed, and this government wants to consider the issues in their entirety.

I made the point earlier on that it is very important to note that although the Standing Committee on Legislation made a range of recommendations, none was to scrap the bill in its entirety.

Hon Robin Chapple: None of those recommendations were accepted in the legislation amendments either.

Hon STEPHEN DAWSON: This is Hon Robin Chapple's bill. I look forward to him responding to all of our concerns or issues when he gets the chance to do so over the coming months.

The government is very aware of the ongoing sustainability of the current users of the facility. That is certainly a critical determinant for if, how and when any divestment may occur. In that regard—I mentioned this yesterday during question time in this place—the government has approved an extension of discounts on port user charges for iron ore exports at Utah Point for a period of six months from 1 July 2017. This really provides an indication of the government's focus and priority for supporting the junior miners.

It is fair to say that there are still concerns held by people in the industry about the proposed sale of this facility. I certainly want us, as a government, to ensure that we are consulting and listening to those concerns as we proceed. Equally, I do not think Hon Jacqui Boydell would have changed her mind on the previous bill unless there were other people in the industry saying to her that they were now happy with the bill because there had been amendments made to protect some of the junior miners.

The government is currently undertaking a detailed assessment of how to address the state's finances and we are doing it in a considered manner. We are trying to get to the bottom of how the previous government wasted the benefits of the boom and left the state's finances in a mess. Although in opposition we fought the former Liberal–National government's privatisations, we will continue to act in the best interests of the state. We believe that it is in the best interests of this state to properly consider the legislation that has been passed, not supporting the bill before us, and having a proper dialogue with the community.

We have an extensive election platform to deliver to the people of Western Australia and we are getting on with the job of delivering it. That is what we intend to do over the next four years. I am pleased that later in the day we will all have an opportunity to see the budget and hear the government's plans moving forward. There are difficult decisions to be made, but we are committed to making them.

As I said, the future of Utah Point is currently being considered. Pre-empting any of those considerations is not supported today and that is why we do not support Hon Robin Chapple's bill. We are committed to the long-term interests of the state, but we are also committed to the future of the minerals and energy sector. We do not want to make the same mistakes the last government did, with its lack of consultation on the sale of Utah Point; we want to properly consider the issues. As I said, we are continuing to support the junior miners with the continuation of the discount for those that use Utah Point. The extension of the discount will provide certainty to the users of Utah Point in the current financial climate.

I could go on for hours on this bill, but I have said all I need to say. This bill is not supported. I appreciate Hon Robin Chapple bringing it before us and representing the Mining and Pastoral Region in the best way that he sees he should. However, this chamber passed a bill last year and an act is in place. This government is of the view that we need to take the time to properly consider the future sale of Utah Point, who may be affected by it and the implications, so over the next little while we will have a conversation and dialogue with industry about this important issue. For those reasons, we will not support the legislation.

HON Dr STEVE THOMAS (South West) [10.31 am]: On behalf of the opposition, and in the interests of continuing, as I said earlier this week, the immensely cooperative and supportive role the opposition has towards the government, we will support the government's position, not the Pilbara Port Assets (Disposal) Repeal Bill 2017. It is a very good example of how we are effectively working with government to deliver good outcomes for Western Australia, and I am sure that the government is quite appreciative of the opposition's position on this bill.

I will make some general comments on the trend of privatisation and the privatisation of port assets. I have never been frightened of the process of privatisation and I am pleased that the government at least has an open mind about the potential benefits of the process for the state of Western Australia, because they may turn out to be quite significant at a time when significant current assets could be turned into significant future growth. We should not be frightened of a privatisation process in certain areas across the board. I think we should take a little time to look at the privatisation of ports generally, because it is not necessarily the case that only government can effectively manage ports and port infrastructure. In fact, the world has generally seen that the private sector in many countries and in many port cities can effectively manage port infrastructure in, I suspect, a far more efficient way than

government can. I note that the government may have some issue with the position of the Maritime Union of Australia, which is in the process of merging with the Construction, Forestry, Mining and Energy Union. I encourage the minister and the government to maintain a strong platform of managing those unions, because I think it will be critical for the future of Western Australia that we have an efficient port process and that we can get our products into the international marketplace in a cost-effective manner.

Hon Kyle McGinn: Are you saying it's not effective now, member?

Hon Dr STEVE THOMAS: We can make it far more efficient, and certainly the private sector has efficiency at the forefront of its mind. We should not be frightened of the private sector engaging in this process and we should support it when it is effective for the future of the state of Western Australia to convert an investment in assets into alternative assets that drive future growth. In particular, we are talking about the Pilbara port and bulk commodities in a highly competitive international marketplace. We are effectively talking about the iron ore industry, which has served Western Australia remarkably well over the past 16 years of the biggest boom in the history of Australia, but it is coming back down in a very competitive international marketplace. It is good to see our iron ore producers getting the production cost down to a point at which it will potentially deliver a little future optimism. If iron ore production is sitting at $45 a tonne and up to $65 a tonne through our ports, it will struggle to compete in the next decade as iron ore prices revert to something far closer to the long-term average. I note that at the moment the iron ore price is about $US77 a tonne; it varies a bit depending on where it is measured. Almost every prediction at the moment is for a correction down to something in the order of $US60 a tonne. If that is the case, there will be a significant issue with international competition if the costs of production remain high. Costs of production in the extraction and processing components of iron ore have been driven down. Most of our Australian miners now have production costs in the region of $15 to $20 a tonne, and some are creeping down towards $12 to $15 a tonne. I note with interest, and members will be aware, that there is a lot of discussion in the industry about the potential for a particular South American miner to start getting iron ore into the Asian marketplace, particularly the Chinese marketplace, at $10 a tonne and less, which will be a significant drop from the current cost. If our iron ore miners have to respond by again making savings and driving down their costs of production, we will have to look at the cost of those transports fairly carefully. I think there is still potential to make savings in the transport process through our ports. I know that they operate in a fairly efficient manner at the moment, but when production costs get down to under $10 a tonne, every cent starts to make a significant difference. It will become a very tense international marketplace.

It is obviously in the interests of miners to make sure that their port structure is as efficient as possible. It is also in the interests of Western Australia to take a proper look at and test the marketplace, because the private sector has, almost by definition, a strong drive to minimise through-costs. For that reason, we need to allow the government, in this new spirit of bonhomie, to have a good and solid look at the potential savings that might be made and the potential revenues that might be gleaned and compare that with the capital cost of selling this particular asset. I encourage the government to look at other assets in the regions to make sure that they also are run efficiently. As an aside, I note that the government is looking at the structure of the Southern Ports Authority. I know that there has been some union concern around, I suspect, the Esperance port in particular.

Hon Darren West: Community concern.

Hon Dr STEVE THOMAS: There is some community concern and some union concern about that process, Hon Darren West. I hope that the government stands very firm and is not dictated to by the MUA, or the combined union, because it will need to look very carefully at the most efficient outcome for those parts, not necessarily the —

Hon Kyle McGinn interjected.

Hon Dr STEVE THOMAS: It will be a very interesting test case with the Southern Ports Authority, with the focus on Esperance, to see whether the government is genuinely interested in the most efficient and effective port infrastructure and how much pressure is brought to bear. We need to look very carefully at the process and make sure that we are getting a good outcome, but we should not be frightened of that. As I have said before, we should not be frightened of the potential privatisation of other state assets. I will be intrigued to see, when the budget comes out this afternoon, where the government will go with that and whether it thinks, as reflected in the newspaper today, that increases in payroll tax may actually be a better outcome than the realisation of capital available in assets held by the government. I have always viewed payroll tax as effectively a tax on jobs. It is potentially a necessary evil to manage state budgets—I understand that—but a tax on jobs is surely something that we need to keep a very close eye on. We are in a period when unemployment is not as low as it has been in recent years. During the mining boom we had —

Hon Darren West: Two hundred minutes until you find out.

Hon Dr STEVE THOMAS: Is the member counting? There are 200 minutes left. I liked that interjection. Just as an interesting aside, I worked in the federal parliamentary sphere for the last six or seven years. In the budget lock-up process, the media goes in and becomes part of the briefing component so that they can ask the questions

they need to ask afterwards. In the federal sphere, that also involves the opposition—the opposition is invited into the budget lock-up so that they can be briefed and can make comments as the media starts to ask them questions. I note that that never occurred in the state sphere. In 2008, as shadow Treasurer, I certainly was not invited into the lock-up period. I presume that situation has remained.

Hon Stephen Dawson: We are being consistent with the previous government.

Hon Dr STEVE THOMAS: It is a consistent policy.

Hon Stephen Dawson: In the spirit of bonhomie, we have been consistent.

Hon Dr STEVE THOMAS: The government has been consistent. This is an opportunity for the government to take a little friendly advice. I suggest that perhaps having a member or two of the opposition and potentially the crossbench representatives in the budget lock-up might be a particularly useful process, so that questions can be answered with some degree of knowledge.

Hon Tjorn Sibma interjected.

The ACTING PRESIDENT (Hon Matthew Swinbourn): Members, I might remind you that we are dealing with the Pilbara Port Assets (Disposal) Repeal Bill 2017 and that debate needs to be relevant to that particular bill, as topical as what you are speaking about is.

Hon Dr STEVE THOMAS: I will potentially come back to that topic in the budget debate next week. I thank you for your guidance, Mr Acting President.

Returning to port sales, obviously we should not be frightened of realising the capital worth of the asset to the state. I am very pleased to see that the government has kept an open mind in this regard. We hope to be able to encourage the government to keep that open-mindedness going on a number of other key assets that we might eventually manage to debate.

The Pilbara port is obviously the easiest to look at in terms of realising our capital asset for a number of reasons, but probably most importantly because it has a very limited variation of resource going through it. It is effectively an iron ore port. Whilst there are a number of users up there, in comparison with the port of Fremantle or other ports it is a fairly small, select group of users who can be negotiated with in a fairly easy and comprehensive manner. It is not like Fremantle port, which has thousands of different users, although I would encourage the government to have a look at Fremantle port at the very least.

Hon Stephen Dawson: We will not be. One of our commitments was that we would never sell Fremantle port.

Hon Dr STEVE THOMAS: Never say never, minister. The government might decide that it needs to have another look at that. Fremantle port, with thousands of different users, would obviously involve a very complex process and negotiation. It is a lot harder to guarantee the level, quality and standard of service when there are many thousands of users. That can be compared with an iron ore port that has, for the most part, a handful of users who can be negotiated with in an easy and efficient manner. I understand why either government—this one or the previous one—would look at the Pilbara ports first, particularly Utah Point, because it has a limited number of users who may well, under negotiation, look at investment in that port. That is a highly efficient downstream integration that could be looked at. That should certainly be part of the negotiation and examination; that is, whether that limited number of users, and particularly the iron ore exporters, might be interested in integrating the process all the way through to arrival at the foreign port when delivering their iron ore. That needs to be looked at in some detail, because it may well provide the greatest number of efficiencies to actually allow that to happen.

There will be iron ore exports of significant volume for the foreseeable future into the medium and long term, irrespective of the price. As long as the price stays above $US30 or $US40 a tonne, it is going to be economic to keep that going. As China builds up towards importing a billion tonnes per annum there will remain significant exports out through that port. Obviously, this provides a long-term investment for those big investment houses—the superannuation funds and the major infrastructure groups—which would perhaps not require the sort of hurdle rate that some of the smaller investors would require. Obviously the tricky part is that the hurdle rate required for small investors is going to be up over 10 per cent, and that means that they would have to start taking significant funds out of the port. With long-term investment by major capital investors, particularly superannuation funds, we could find that it actually comes down to a hurdle rate of around four or five per cent, which starts to make some good economic sense for future development. Obviously, profit margins are going to be required. We will probably need to look at the expense and operations side to make sure they are as lean and mean as they possibly can be. That process will be gone through. Again, I do not think we should necessarily be frightened of that. If members are frightened of the sale of an asset like a port to the private sector because they think it might slim down the operation, they are effectively saying they are happy for government to subsidise it to keep that little bit of excess in there. That is a problem for any government, and particularly a government in more difficult economic times. It is very important that we are not frightened of private investment in the industry. We should allow business, if it is looking to invest in it, to maximise efficiency. As I say, if members are frightened of that, they are effectively using government to subsidise inefficiency. We are in a period at the moment when we cannot allow that.

The minister raised the issue of the committee review of this sale. Like the minister, I noted that at no point did the committee recommend that the original bill, which was lodged in 2015, or the 2016 act, to allow the Pilbara ports to be sold should not go ahead. That is fairly strong support for at least the capacity to test the waters. Members need to remember that the bill in itself does not require the sale of Utah Point or this particular Pilbara port asset. It allows a government to test the marketplace and, if it discovers that it is in the interests of the people of Western Australia and to their long-term benefit to go ahead with the sale, the bill would allow the government to do that. I presume that that is why the government will not support this bill. Rather than an act that enforces the sale of a product, it is an act that will sit in place to allow research to be done and, if it proves to be viable, there will be the sale of that product in the future. The government has taken the remarkably sensible position of leaving it in place to test the marketplace and the waters into the long term. It can stay there for a long time because we might find that the value of the asset and the return to the people of Western Australia vary significantly over time. Five years ago, the iron ore price peaked at, I think, $180 a tonne. If the world suddenly changed and iron ore prices sat at $180 a tonne, there would be so much money in the marketplace that the government might decide that with the port being of significantly higher value, it would be a more efficient investment for the Western Australian population if it sat in a more productive way. Then again, if the iron ore price crashes to $35 a tonne, which is where the least optimistic forecasters are putting it, the iron ore industry will become a lot tighter and the small iron ore miners with production costs between $40 and $60 a tonne would get into significant trouble. I understand that BHP and Rio Tinto are in the $15 a tonne to $20 a tonne range and that Fortescue has met the same sort of target. Potentially, they are all looking to exceed that with a mark between $10 and $15 a tonne. If they do that and become competitive with the Brazilians in the upcoming couple of years, I struggle to see the iron ore price dropping to a point at which the industry does not have significant value. It remains a solid industry. It is obviously still a solid performer for Western Australia and it still makes a significant contribution in royalties. Even though we say that the boom is effectively over, iron ore royalties in the state of Western Australia are still significantly high. The state still makes a lot of money—billions of dollars every year—out of iron ore royalties and the iron ore industry, and it will continue to do so in the foreseeable future.

The industry remains on a solid footing, although the $180 a tonne times are gone for as long as anybody in this house is alive. The next great boom may be hundreds of years in the future, but it is still a valuable industry and it is incumbent on us and the government to make sure that it remains as efficient as possible in this incredibly competitive marketplace. It behoves the government to make sure that it is doing the most that it can to get the best value for the people of Western Australia, and that includes the potential privatisation of this asset if the numbers add up, and they would need to be carefully managed.

The original bill put protections in place for the smaller miners. No amendments to the protections in that bill have been made, so they remain in place. The committee put forward the position that the consultation process in the first case for the 2016 act was not sufficient. That consultation has been and is, I understand from the minister's comments, ongoing and will remain ongoing. Most of the questions about this bill and whether it is a good thing for Western Australia have probably been answered up to the point of drawing a line under it and working out the sheer economic return. That is the bit that the government will hopefully do over the next couple of years. It does not need to rush into that process because, as I said, it can watch what the iron ore price does in the next year or two, allow it to settle and find a more standardised base, which I suspect will be not much lower than it is now—hopefully, in the $US60 to $US75 a tonne market. At that point, it can work out the longer-term figures and it will know the approximate throughput.

The expansion that occurred between 2000 and 2016 with the latest of those iron ore mines coming on is now calculated reasonably accurately. It has certainly slowed as the Chinese marketplace has become a little more mature. When the government has a relatively good set of numbers to work with in that mature marketplace, that would be the obvious time to go forward and work out whether this asset would best serve the people of Western Australia as a government-held asset or by being transformed into an alternative government-held asset that might drive future efficiencies. Dare I say it might end up like the Perth Freight Link, driving efficiencies in transport or some of those other areas. It might well be that there are more efficient and effective investments to which the state might transfer this asset.

I am very pleased that the minister has taken a sensible and considered approach —

Hon Tjorn Sibma: He's the strongest performer in that team.

Hon Dr STEVE THOMAS: He is magnificent. His next preselection is already in trouble. There is a spare seat over here, minister. Actually, I am saving the seat next to me for Hon Aaron Stonehouse, but we can find a spot for him.

Hon Alannah MacTiernan: He's a male anyhow, so he's got a good chance!

Several members interjected.

The ACTING PRESIDENT (Hon Matthew Swinbourn): Order, members! Hon Dr Steve Thomas is on his feet and has the call.

Hon Dr STEVE THOMAS: I thank you for that protection, Mr Acting President; it got a bit unruly there for a minute.

In summation, the opposition is particularly pleased that the government and the minister have taken a considered and sensible approach on this occasion. They should not be frightened of examining and testing the waters without being forced in one direction or another. We urge the minister and the government to not be dictated to by the Maritime Union of Australia or any others that may want to push their agenda. We did note the outcome of the recent Labor Party state conference at which there was a little disagreement between some of the various members.

Hon Alannah MacTiernan: Are you supporting WAxit?

Hon Dr STEVE THOMAS: No.

Hon Alannah MacTiernan: I would have thought your state conference was a bit more controversial than ours.

Hon Dr STEVE THOMAS: No.

We thank the government for taking that sensible position. We look forward to hearing from the crossbench and others about where they might be on this issue, but I suspect that in this new era of working together in harmony, we will have a very good outcome. We thank the government for working with us in the same direction.

HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development) [10.58 am]: I am very interested in the future of ports. During the eight years that I was the minister responsible for ports, it was a deeply interesting and engaging area of policy. Indeed, I signed off on the development of Utah Point in 2007 so I am very familiar with the circumstances that led to the decision to invest in this $225 million project. The project was very much aimed at ensuring that the iron ore juniors had an opportunity to move their assets through the port without necessarily being at the mercy of some of the war lords. We had seen a series of companies that, even if they started off as small companies, once they became larger companies controlling large assets, played a little bit like the companies that they used to fight. From our point of view, it was very important to try to establish a facility that enabled a bit of market diversity and was also able to accommodate some of the smaller mineral loads—not being iron ore. Manganese, I think, was one and increasingly other products such as lithium.

Hon Robin Chapple: I was involved in what was Hedland by design, which was your initiative. We managed to get the manganese, which was polluting the town, off wharf 3 and move it over. I acknowledge your important role in the development of Utah Point.

Hon ALANNAH MacTIERNAN: That shows how we can work collaboratively together in government. We appreciate that support; it helped us manage the contamination and dust issues in the town as well as creating that new opportunity.

At this point I want to give a special shout-out to Andre Bush, the former CEO of the Port Hedland Port Authority. When he came into that role, he made a great contribution to the state. We had always been told by BHP that capacity in that port was very limited so it would be very difficult to accommodate FMG and, subsequently, to accommodate the others that came in behind FMG. Through his most extraordinary work managing ships in and out and managing tidal shoulders, Andre was able to expand the port's capability. I was very disappointed to see him not have his contract renewed. Perhaps some of the major players felt that his independence of spirit might have been a bit challenging to them. He did a magnificent job and must get a lot of the credit for the development of Utah Point.

I will make some broader reflections about the nature of government investment in ports. To a very large extent, ports are monopoly infrastructure, particularly on a challenging coast like ours. The ports are where they are, not by any accident, but because they provide the most sheltered spaces along our coastline. It is not like a shopping centre; we cannot just move down the road and build somewhere else. We can still have a port if we do not have natural land–sea formations that protect the port from the long periodic waves that come across the Indian Ocean, but it becomes massively expensive. That has always been the challenge for Oakajee. The Geraldton port is where it is because it offers a natural shelter from those waves. One of the difficulties with Oakajee is the amount of armouring needed to build that port. A massive payload is needed behind it to fund the heavy armouring needed to provide enough water for a vessel moving in and off the coast.

Particularly for our coastline, ports are a monopoly asset, which we need to take into account when talking about privatisation. Hon Dr Steve Thomas talked a lot about the advantages of getting the private sector involved, being private sector investment and efficiencies. Private sector efficiencies are not generally seen when the private sector has a monopoly. The private sector thrives and prospers and is able to provide cost-effectiveness and innovation when there is competition. I will not go through the numerous cases that could be cited in which the absence of competition found ports that were a natural monopoly, arguably becoming less efficient. Quite a number of entire port privatisations have occurred in the past that resulted in much higher costs. Members might recall that the port of Newcastle was privatised some years ago. The prices for Glencore coal, for example, skyrocketed. The more a government seeking to privatise wants to capitalise to fill a budget black hole through that privatisation, the more it ramps up the price and the stronger the incentive is for the privatising company, in the context of a natural monopoly, to ramp up the prices for people exporting their products.

That goes back to the important principle of why we have government investment in ports in Western Australia, particularly in regional Western Australia. To a very significant extent, it is about trade facilitation. Over the last century governments have recognised that investment in infrastructure that allows materials to be exported, imported and moved around is needed to drive regional economies and business development. A government looking at a piece of port infrastructure has a more complex approach than a private sector operator. Although we like to get a rate of return on capital, it tends to be a modest rate of return. Governments also have a natural economic and social interest in trade facilitation, the development of new industries and the expansion of existing industries within the region, which they have to be very conscious of when looking at costs and benefits. We need to think about the trade facilitation role and, indeed, how that could be compromised by a poorly structured privatisation. It goes well beyond what we make from the port and into what the port can do to expand industries and opportunities within the region it serves. Having said that, there are plenty of examples of private sector investments within our ports. On this side of the house, we would never support the total privatisation of a port. We recognise the monopoly nature of the asset and its role in trade facilitation and that, therefore, total privatisation is inappropriate. It is true to say that considerable private assets have been invested in each of the ports across the state. Whether in Esperance or, indeed, Port Hedland, we find privately owned berths built, owned and operated by the private sector, but always within the context of the overall port operations remaining in public ownership, with our ability to control the fundamental user charges that affect the use of the waterway. Having that as a conceptual framework, and deeply understanding that this is not all just about maximising the return of dollars obtained by privatising an asset, our government has not made a final decision on Utah Point. We will be very much guided by not just the short-term, but also the long-term economics and what is most beneficial to the state. We recognise that Utah Point has been a massive success and is returning a very significant dividend to the state. I think at one stage it was returning about 25 per cent on capital investment. Obviously, the long-term stream of income would be sacrificed if we were to proceed with the privatisation of that asset, so that has to be taken into account—that is, the benefit to the state of sacrificing the long-term dividend available to us compared with having a lump of money up-front. In any arrangement for a sale, I know that our government will look carefully at the direct economic impact of the two options available to us. We will also look at those broader issues, and a certain sale, for example, to a superannuation fund, with an agreement on the rate of return on capital, might be one way of controlling the problem that we have seen in many other port privatisations when there is an inflation of price that has a downward impact on business and that other aim of trade facilitation. In the context of the Pilbara, we always have to be mindful of ensuring that we are facilitating competition. If we were to proceed with a sale, we would want to be very careful whom we were selling to and that we had controls in place that did not allow the port to go into the hands of a major user, which could utilise the access, control and ownership of that facility to limit competition from new entrants or industries. One has to understand deeply the whole point of government involvement in port operations and how it drives the development of those regions. We have to be very, very careful in making those assessments about what happens with a partial privatisation of an area within a port authority and look at not only what the direct economic consequence of the loss of the long-term dividend will be, but also the impact on broader trade facilitation and the ability of new entrants into the field if there was shared ownership or if the port went directly or indirectly to one of the companies that are the major producers in that region. I appreciate the sentiments of Hon Robin Chapple in bringing this bill forward. When we consider it, we will not be following some naive fantasy about the benefits of privatisation, and there will be very careful analysis of the economic and social consequences of moving down such a path.

HON JACQUI BOYDELL (Mining and Pastoral — Deputy Leader of the National Party) [11.16 am]: I thank the member for bringing this important Pilbara Port Assets (Disposal) Repeal Bill 2017 and discussion to the house. As the member said a number of times, we discussed this issue at length during the last Parliament. During the debate in the last Parliament I thought there was a pretty clear indication of support or otherwise for the asset sale program that the government, of which I was then a part, put forward for consideration to deal with the difficulties in the state budget. As members opposite are now finding out, those decisions are tough. For probably two years I sat in the chamber with members now in government, who were then in opposition, yelling at the then government that we were holding a fire sale of assets and that we had to do something about the state of the budget. Members of the current government are fully aware of the state's financial position, and were certainly very well aware of it in the lead-up to the election. The government has now been in power for six months and today we are about to see its first budget. I suspect it is going to be a difficult day for the people of Western Australia.

I find the minister's comments astounding, given his position previously. This is the problem that people have with political parties, and indeed politicians, when they come into government—they make decisions based on integrity and then, when they come into government, have a complete reverse-about of their position. I find it astounding because Hon Stephen Dawson was adamant —

Several members interjected.

The ACTING PRESIDENT: Members!

Hon JACQUI BOYDELL: Hon Stephen Dawson was adamant and very vigilant during that debate.

Hon Stephen Dawson: We did not shout, though. I would not have been shouting!

Hon JACQUI BOYDELL: I recall otherwise, but that is okay; I can shout with the best of them. I am happy to listen to that. I was absolutely astounded to hear the minister's response. Being a member for the Mining and Pastoral Region, the minister has in-depth knowledge of Pilbara ports and the important role that they play in the mining industry and jobs for the region, particularly in the Pilbara.

After listening to Hon Steve Thomas' comments, I remind the chamber that Sam Walsh, when he was the CEO of Rio Tinto, made a very public comment—very much like the cat that had got the cream—that the industry was thriving at $35 a tonne. The spot price on iron ore today is $76 a tonne. I assume that that means the iron ore industry is absolutely booming. That asset has been recognised as a major driver of the economy for not only the people of Western Australia, but also the nation. The iron ore industry that operates in my electorate, the Mining and Pastoral Region, the Minister for Environment's electorate and, indeed, the electorate of the member who brought the bill to the house, drives the economy of the Australian nation, but those assets are owned by the people of Western Australia. Sam Walsh, as the former CEO of Rio Tinto, stood at a public forum and announced very happily, just like the cat that had got the cream—because, I tell you what, it had—that at $35 a tonne, that company was thriving. I hope to see some action in the budget today from the current state government to ensure that when this asset is sold on behalf of the people of Western Australia they get a fair share of that asset.

Hon Alannah MacTiernan: What asset?

Hon JACQUI BOYDELL: Iron ore—keep up, member!

Hon Alannah MacTiernan interjected.

The ACTING PRESIDENT: Member!

Hon Alannah MacTiernan interjected.

The ACTING PRESIDENT (Hon Dr Steve Thomas): Minister for Regional Development, could we have some quiet in the chamber, please.

Hon JACQUI BOYDELL: I suggest that the mining industry, and the iron ore industry in particular, is absolutely booming today. We are about to hear the state budget delivered, which the Treasurer said this morning was going to deliver some pain for Western Australians. Western Australian families are already contributing to fixing that budget hole.

In the previous Parliament, when the sale of Utah Point was debated, there were three junior miners. We all know that Utah Point is a facility for junior miners. It is a very important part of the mining industry. We all recognise that all miners at some point are junior miners. I too recognise the role of the former minister in developing that port facility for junior miners. To date, that port has been available 100 per cent of the time for the priority use of junior miners. That was a major concern for all members of this house during debate on the bill in the previous Parliament. I too held those concerns, but at the end of that debate I came to the conclusion, after considering the recommendations of the committee—the Treasurer at the time, Mike Nahan, conceded—that there needed to be some protections in the bill for junior miners. The protection was that should the junior minors have to leave the facility for some reason, 50 per cent of the facility would be retained for junior miners, should they come back to that facility.

Hon Robin Chapple: That was for a short period of time.

Hon JACQUI BOYDELL: That was for a short period of time.

At the time that bill was being debated—I am talking about three junior miners—one of those junior miners was in care and maintenance, so the facility, because it had been put aside to be used by junior miners, was sitting partly empty. The government also has a responsibility to the people of Western Australia to ensure that its assets and infrastructure are utilised and, as the Minister for Regional Development said, that the government gets a return from the use of that facility that goes back to state government's coffers, as it should, because it is currently an asset owned by the government. However, the people of Western Australia deserve an answer from government when the facility is sitting idle. That was something I considered at the time of the debate—this house certainly considered it—because part of that facility was in care and maintenance.

Hon Alannah MacTiernan: Why was that?

Hon JACQUI BOYDELL: The junior miners were not able to utilise the facility because of the low price of iron ore at the time. I will tell the minister why that was.

Hon Robin Chapple: It wasn't that it was in trouble.

Hon JACQUI BOYDELL: Yes. Another consideration at that time was the capacity of the major miners, BHP and Rio Tinto, to flood the iron ore market and directly impact the spot price of iron ore on a daily basis. The impact of that was massive, and it still is. That concern was expressed in a meeting the junior miners had with the

Treasurer. They verbalised that concern. They said to the Treasurer that they were at the behest of the major miners because the major miners had the capacity to produce and export such great amounts of iron ore that they flooded the market and brought down the price of iron ore, which directly affected the junior miners' capacity to operate. They believed that is what was happening, and that is not okay.

Hon Robin Chapple: You remember the committee came back with a large number of suggestions to protect those junior miners should there be a sale. Unfortunately, very few of them, other than the one the then Attorney General mooted, were actually included. Currently, if the port is to be sold, those juniors do not have the protections that they wanted and indeed the committee recommended.

Hon JACQUI BOYDELL: I agree with that, member. After the recommendations of the committee were made I met with the junior miners; indeed, I met with them many times. We negotiated a meeting with them and the Treasurer because they felt that they were not getting an opportunity to speak to the Treasurer at that time.

Hon Darren West: One of the seven Treasurers.

Hon JACQUI BOYDELL: That has absolutely no relevance to the debate and I will give it the disdain that it deserves.

Several members interjected.

The ACTING PRESIDENT: Order, members! Hon Jacqui Boydell has the call.

Hon JACQUI BOYDELL: I note that Hon Darren West was nodding his head when I said that I had met with the junior miners. I met with the junior miners on the day that the bill was to be debated in this house. That was the very first time they made contact with the National Party about their concerns with the bill. I made that very clear to them and to the Association of Mining and Exploration Companies, which also came to that meeting and contacted me on the day that the bill was being debated in this house. I said at the time—it is in *Hansard*—that I thought that that was a very poor way for AMEC and the junior miners to engage with the government, at the eleventh hour when the bill had already passed the lower house and was being debated in the Legislative Council. It was very difficult at that time to address all the concerns it had; it had a couple of major concerns. AMEC wanted the facility to remain 100 per cent for junior miners and, if the port were to be sold, AMEC wanted a negotiate–arbitrate regime and changes to the price and accessing regime. They were AMEC's major concerns. I made it very clear to the junior miners, of which there are only three, that I thought it was a very clunky way of dealing with members of Parliament, that on the day the bill was being debated to go to members of Parliament and say that they were not happy with it. But at that point—I give him his due—former Treasurer Mike Nahan said he would meet with the miners. We met with them the next day, and he rightly heard all their concerns. I thought their concerns were legitimate and that was the reason I referred the bill to the committee.

As I recall, all members of this house supported that referral so I was a little disappointed when I asked a question of the Treasurer yesterday in this house and the Minister for Environment in his representative capacity gave me his answer, in which there was some sort of suggestion I had somehow delayed progress of the bill through the Legislative Council, which led to the government delaying its decision. Well, that —

Hon Robin Chapple: I'm laughing with you!

Hon JACQUI BOYDELL: Yes!

That was a bit, like, "Really?" The Premier has verbalised this previously and now the Treasurer, in his answer to me yesterday, has indicated that he believes the Legislative Council should not refer bills to committees for further consideration and should just rubberstamp anything that comes through from the Legislative Assembly. I have said this previously in this house, and I will say it again —

Hon Darren West interjected.

Hon JACQUI BOYDELL: The member should get his rubber stamp ready, because I know it will be ready.

This house will not abrogate its responsibility to review legislation and use the processes available to it, amongst which is to send bills to a committee should it see fit to. Every member of this house agreed with that process, and we will continue to do that. To suggest that I delayed the sale of Utah Point, which denied the government the opportunity to sell the facility before the last election, is a little bit cute. I genuinely thought there were concerns that the committee should look at, I referred it to the committee, every member of the house agreed with that decision, and the legislation went to the committee. The committee then came back to the house. I put a very short time frame on that committee referral and I recall that the discussions behind the Chair at the time were about trying to seek an extension to allow the committee further consideration of the bill. I did not think that this house had the time to do that; we had already had a number of debates on the Pilbara Port Assets (Disposal) Bill 2015 at that time. It was a very short turnaround for the committee and it did a really good job.

Debate adjourned, pursuant to standing orders.

WORKFORCE CASUALISATION

Motion

HON KYLE McGINN (Mining and Pastoral) [11.33 am] — without notice: I move —

> That this house expresses concern at the increasing casualisation of Western Australia's workforce and the adverse effects of this on Western Australian people's security and certainty of employment.

Honourable members, it is with great concern that I move this motion in the house for debate today. To open, I want to recognise all Western Australian workers across all industries who find casualisation a reality in their day-to-day working lives. I know from personal experience the challenges and frustrations that insecure work brings to workers and their families.

What is casualisation? This is an incredibly hard question to answer. The figures available admit to the difficulties of identifying what the definition of a "casual" is. Some say it means a worker on work arrangements that reflect informality, uncertainty and irregularity. To put this in context, a person employed on a casual basis has no commitment to hours per week, an hourly rate with penalty rates, and a 20 per cent loading on that rate to cover the financial benefits that a permanent employee receives, such as annual leave and sick leave.

In my opinion, in many cases a casual arrangement is just an excuse for bad employers to exploit and take advantage of employees—basically dangling a carrot and controlling working lives with a string. As an example, I will use my personal experience on my first ship in the offshore sector and the carrot that I was fooled with by the employer.

When I started my employment I was advised by the employer that as a casual I would get 20 per cent loading on my wages, which at first I thought was unbelievable. They also suggested that if I wanted to make it in the industry, permanency would be a critical part of survival. I was told that in order for me to be considered for a permanent job I should request the company to hold my 20 per cent loading earnings in its account for 12 months. Each pay I would get my wage, but my loading would stay with the company. At the end of the 12-month period—during which time I assume the company earned interest from my funds, which would make me permanent—they would then make me permanent and pay out my 20 per cent loading.

When I got to the end of my 12 months, gee did I get a surprise. I was told that the vessel I was working on was finishing up and heading overseas. I knew that at the time the company still had a heap of other vessels that were undermanned and had new swings coming on from overseas, so there was an abundance of work for this company. Instead of being moved to another vessel, which is common practice, I was told that there was no vessel for me to go to and that I would not receive a permanent job. I was told, "Here is your 20 per cent loading." It was paid out in bulk, so the taxman took a big grab as well. I had done what I thought was the right thing by the company to get a permanent job, but it turned out to be a carrot that left my 20 per cent loading in the employer's account until the end of the 12 months, and then I was unemployed.

I do not believe that thisor similar scenarios are rare; I think we are just not hearing about them. We are not being told because there are fears of ramifications and of not getting further work. I also believe people see it as, "Head down, bum up, until you get a permanent job", and during that period they just bear the brunt of it.

Imagine for a moment that you are under the control of another person. This person has the ability to dictate your family's income and the amount of food you can put on the table. These employers decide, on many occasions without ramifications, whether or not you receive that 5.00 pm text message advising you that you are working tomorrow. At 5.00 pm and sometimes even later every day you have to sit by the phone, waiting for that phone call or text message to tell you that you have or have not been rostered for the next day. One can only imagine the stress that comes with waiting by the phone every day, not knowing. Of course, it means that you cannot commit to any other work because you also have to be obligated to one employer if you want to continue to get shifts. It also means that you cannot plan anything with family or friends, or any other part of your life, until you receive that message at 5.00 pm and sometimes, I have heard from casual employees, as late as 8.00 pm.

During my time as an organiser with the Maritime Union of Australia, I was involved in numerous enterprise agreement negotiations within the north west region. It may or may not shock members, but the majority of these negotiations were not about pay rises; that was not employees' number one claim. The number one claim was permanency. To put this in context, I was organising in the north west, which had just had a massive boom; this was three years ago. I was genuinely shocked, but definitely pleased, when my members would say, "We want permanent jobs." The shock was that they were not permanent already, because the work was there, and very clearly there in abundance.

Workers' number one claim was permanency, and the most hard-fought claim that employers did not want to accept on these occasions was permanency. I certainly do not stand here in this place to say that there is no need for casuals; I take it on board that some employers have situations in which they may have short periods of increased work, such as shutdown operations in the mining sector, for example, but I do not agree with the notion that employers rely on casual employment for ongoing work. These are secured contracts; these are a guarantee of work.

I have had big meetings with employers who literally argued that even though the work they had was secure for two years or even five years, they just could not make employees permanent. I recall one key company in this situation had fewer than 20 per cent permanent workers and the rest were casual. These were not casuals who had just walked onto the job and had done one or two swings; most of them had been busting their guts as casuals for the company for over two years. This company had gained a reputation through the hard work performed by the employees every day on the job in the port. Despite this, they were basically told that they were good enough to be casual but they were not good enough to be permanent. That is the message that employers are sending by using casuals day in and day out when there are secure contracts. The work was clearly available but still the company resisted. Its fallback position was a fixed-term contract. Employees were told that a fixed-term contract was permanency, minus redundancy and severance. However, after further meetings and discussions with members and through negotiation, it was clear that this was not permanency; it was simply another way of saying "casual". The reason I say that it is another way of saying "casual" is that the clause stated that, firstly, the employer decides the length of the term and whether to renew; and, secondly, during any stage of the term the employer can terminate the employment for whatever reason. That was the employer's idea of a fixed-term contract. How is that secure work when workers can be offered a fixed-term contract? I agree with the argument that if an employee is offered a six-month fixed-term contract and the employer decides to pull out, the employer has to pay the employee for those six months, because it was a guarantee of six months' work. Since the enterprise agreement, the employer has picked up the majority share of the work in this port, and even after a massive increase in secured contracts that have been signed on the dotted line, it has not made one employee permanent; instead, it has brought in a flood of new employees who have been handed these fixed-term contracts on the basis of what I have just explained.

In a previous debate this week, members in this place made comments about millennials and the struggles that they have inherited. I have always been aware of, interested in and willing to learn more about the struggles many Australians have faced historically and often ask myself: do we have it harder today in the workforce than our forefathers did? I do not have the answer to that, but I believe we have lost ground in workers' strength in the workplace due to the modern-day employer's new greed for flexible, expendable casual and labour hire employees. With this come attacks on workers' rights across the board, taking advantage of unorganised labour. Workers also have to deal with dramatic job losses, which we have been hit with due to the downturn in work. Instead of competing for work in a pool of 100, there are realities of competing with 1 000 other workers. This can often lead to workers feeling the need to impress and, more to the point, not upset their employer, as they are worried that they will not get the call to return to work again. I dare anyone to deny this is happening. I have seen it. I have been with a worker, and his wife and kids, who was cut off from available shifts for the sole reason that he raised a safety issue that could have been harmful to him and his workmates. Let me not forget to mention intimidation from employers, particularly in labour hire firms. Joining a union often brings with it a similar punishment.

I believe we have an obligation to improve people's lives and recognise that permanent employment provides people and families with security, the ability to be approved for home loans, obviously the ability to plan leave and spend time with family and friends, and the seemingly undervalued ability to live. Workers should not feel that they are just a number, a slave to the economy or a big business, because all workers' lives matter—casual or permanent. Safety risks come hand in hand with casual work, regardless of the definition of the day. I refer to my time in the Pilbara. Work was abundant. Employers could not find enough workers, yet there was still a lot of labour hire and casual employment being utilised. I would see and hear of workers who would work 14 days in a fortnight and who would continue working until the work slowed down. This created massive fatigue issues. That was blatantly ignored by employers at the time because they required the workers. Even with my strong stance on workplace safety, I must reflect on this, because, as bad as it sounds, can I blame that employee for doing those hours? They were not permanent employees. They were the flexible, disrespected casuals who were fighting over every dollar they could earn and the slim chance that they could get a permanent job. We must do better not just to increase Western Australian jobs, but to ensure that we are securing permanent jobs to give people security and ensure that they can set up shop permanently in town rather than chase work across this state.

I want to refer to a memo from Workplace Express issued on 5 July 2017 headed "FWC to insert casual conversion clause in all modern awards". I will read a few statements from it —

> A five-member FWC full bench —

That is the Fair Work Commission —

> has ruled today that modern awards should enable casual employees to elect to convert to full-time or part-time employment, subject to certain rules and restrictions.
>
> "We have decided that it is necessary that modern awards contain a provision by which casual employees may elect to convert to full-time or part-time employment, subject to specified criteria and restrictions, in order that they meet the modern awards objective" …
>
> "We accept the proposition advanced by the ACTU that the unrestricted use of casual employment without the safeguard of a casual conversion clause may operate to undermine the fairness and relevance of the safety net."

> **However, the decision stopped short of the ACTU's claim** …
>
> The ACTU wanted casual employees to have the right to elect to convert, having, in a limited number of awards, been deemed to be in full-time or part-time after a certain length of time unless they elected to remain employed as casual.

I believe in that 100 per cent. If the work is there and the employee is performing the hours, they should have the opportunity to make the decision for themselves and their family whether it be a casual position or a permanent position. I make it very clear that I am not standing here and saying that there is no need for casual employment. With my organising background, I have seen from employers across many industries' blatant disrespect for and no appreciation of the hard yards put in by employees in search of a permanent role. There are downturns in industry and there is reduction in work. That is why there are redundancy provisions within permanent employment conditions. That is why companies have the option to reduce numbers. It is not about saying that casual employees are needed because they are more flexible and can be replaced in a transient way. It is tough out there now for casuals, with the high rate of unemployment, particularly in the heavy industries in the north west region, shutdown work et cetera. I feel that we in this place need to recognise this and show our concerns. I will continue over this term, and hopefully many more terms, to fight for casuals and their right to be permanent in their workplaces.

HON Dr SALLY TALBOT (South West) [11.47 am]: I thank the member for that very passionate and moving account of a firsthand experience of the casualisation of the workforce. I express the appreciation of members on this side of the chamber to Hon Kyle McGinn for bringing this motion to the house. Indeed, his experience is shared by millions of workers around Australia and hundreds of thousands of workers in the state of Western Australia. I draw members' attention to a report by the Australian Council of Trade Unions in 2012 that was not called "Lives On Hold" for nothing. Indeed, the subtitle is worth reflecting on, too. The title "Lives On Hold" reflects the type of experience that my honourable colleague just referred to—casualised non-permanent work is very bad for individual workers and their families. The subtitle of this report, "Unlocking the potential of Australia's workforce", draws attention to the fact that casualisation of the workforce and insecure work in general is very bad for communities and also for business. Nobody benefits from a workforce in which casualisation is the main ideological driver of employment practices.

Indeed, what we have just heard in that anecdotal account of the lived experience of insecure work is a marker of the trend in modern industrial practice. It is a trend that I believe Labor governments and all progressive policymakers in this country have a duty—an absolute obligation—to begin to reverse, because what we are seeing is the transfer of risk from an employer directly and 100 per cent onto the shoulders of the employee. It is such a travesty of the original principle of our economic system, however one wants to express it or however one's philosophical understanding of what underpins our economic system translates into terminology. It is about bosses and workers; it is about the owners of capital and the providers of labour. There has always been some kind of fundamental equilibrium between those two providers or two key platforms on which our economic system stands. That is what is being trashed by this move towards the casualisation of the workforce. I believe it is incumbent on all progressive policymakers in this country to start reversing this trend.

I want to go back to the inquiry chaired by Hon Brian Howe, who has an impressive record in this area—he certainly knows what he is talking about. The report itself was endorsed by the Australian Council of Trade Unions. Indeed, that report has formed the basis for much industrial relations practice in the four or five years since it was published in 2012. This report, "Lives on Hold: Unlocking the Potential of Australia's Workforce", defines insecure work as —

> (i) unpredictable, fluctuating pay;
>
> (ii) inferior rights and entitlements, including limited or no access to paid leave;
>
> (iii) irregular and unpredictable working hours, or working hours that, although regular, are too long or too few and/or nonsocial or fragmented;
>
> (iv) lack of security and/or uncertainty over the length of the job; and
>
> (v) lack of voice at work on wages, conditions and work organisation.

What have we got here? The estimate in this report is that up to 40 per cent of the workforce is now engaged in insecure work—40 per cent! That is approximately four million people Australia-wide. Members can do the sums on how many hundreds of thousands of people that is in Western Australia, even if there is a strict ratio in terms of population. I suspect it is probably a little more in Western Australia because of the nature of our resource-based economy. We have hundreds of thousands of workers in Western Australia who have no certainty about their pay. What does that mean when people try to plan for their family and for their future? We can go back to the original landmark judgement in Australian industrial relations history, which was the Harvester decision in 1907. In that, work was done around the concept of a wage that was fair and reasonable. Those were the two terms used. All the concepts around that and all the considerations that were brought into play to determine what a fair and reasonable wage is are now a little updated. It was predicated on how much a man needed to keep a wife and three children in —

Hon Matthew Swinbourn: Frugal comfort.

Hon Dr SALLY TALBOT: —frugal comfort. It is a wonderful phrase, is it not, Hon Matthew Swinbourn. Many of those concepts are now redundant in our modern society, but that fundamental idea that people need a fair and reasonable wage included the idea that people had to have a wage that was predictable. All things being equal, people knew what they would be earning for the next 12 months. That has gone for these hundreds of thousands of workers in Western Australia. I say the same thing about hours. Someone might work 40 hours this week, but they do not know how many hours they will be working next week if their employment is insecure. What does that mean for the local footy club that is looking for a coach for the junior footy team? How can someone make a commitment to provide music lessons for local primary school students after school if they do not know what their working hours are going to be next week? It is all that substrata of community involvement that disappears when there is a substantial number of people who cannot predict what their availability is going to be in the weeks and months to come. As Hon Kyle McGinn referred to, these workers have no idea how to plan for annual leave. They have no paid annual leave whatsoever. They have no sick leave. What happens to people who have children who fall ill when they are at school? These people have no overtime and no penalty rates. I am sure Harvester would have turned in his grave to hear this.

Hon Matthew Swinbourn: Justice Higgins, you mean.

Hon Dr SALLY TALBOT: Justice Higgins; it was the Harvester decision. In fact, it was McKay who was the legal person involved, but I thank Hon Matthew Swinbourn. They would probably turn in their graves to think that there was also provision for parental leave these days. Increasingly, that will become a consideration when we talk about insecure employment—no availability of parental leave, no long service leave, no protection from unfair dismissal and no access to training provisions or opportunities. Indeed, my research into this topic suggests that the very idea of have a career or a career path becomes redundant for people who have insecure employment. A person cannot talk about having a career or a career path when they do not know where they are going to be working or what they are going to be earning in six months' time. It is bad for people and it is bad for the local economy. What the report "Lives on Hold" draws attention to is that we actually have a new divide in the Australian workforce. The old divide was between blue-collar workers and white-collar workers. The new divide is between workers who might be defined as being core workers and workers who are somehow consigned to the periphery. This is basically between workers who have some kind of permanency attached to their employment and others who do not. I agree with Hon Kyle McGinn: we do not want to move away from the concept of a casualised workforce. There will always be a place for casual work and there will always be people for whom casual work is, at least in the short term or perhaps even the medium term, the answer to what they need to do. With no public debate about the merits of the system, we have slipped from a legitimate component of the workforce that is casual to a very large section of the workforce that is now classified as insecure. That is when their employment is, by definition, non-permanent. We now have this vast array of workers who are confined to the periphery. They cannot save, they cannot plan, they cannot upskill and they cannot have a career. Of course, within that component there are also burdens that are unfairly shared. It tends to be women and young people who are in that position. This is very, very bad for the Australian economy, it is very bad for Western Australian workers, and it is very, very bad for Western Australian families.

HON MICHAEL MISCHIN (North Metropolitan — Deputy Leader of the Opposition) [11.57 am]: I thank Hon Kyle McGinn for raising this issue with the house, which is one of some significance, particularly for the many workers who are finding insecurity in their lives and the lives of their families as a result of the process that he has described—the increasing casualisation of Western Australia's workforce. Of course, it is not something that is peculiar to Western Australia. There has been a trend over the last several years towards an increasing casualisation of the workforce. Hon Kyle McGinn said that it is difficult to define what that is, but in essence it involves the process by which employment shifts from a preponderance of full-time and permanent employment—although I think there has been very little permanency in the workforce for many years—and some level of security in the workforce, to casual and contract positions. He spoke very eloquently about his personal experience in that regard. Hon Dr Sally Talbot also referred to the effects on members of the community who find impermanency in their employment, informality in their employment and uncertainty in their futures—whether they will have a job from one day to the next and how much they will earn in the course of a week to cover their necessary survival expenses as well as the luxuries that we tend to take for granted.

There is, of course, a place for casual employment in any employment market. There are many people who prefer having only part-time and occasional work with the hopeful loadings that go with it. Many small businesses are unable to predict the amount of work that is being conducted so they rely on casual employees to carry on that business. But what is of concern is the increasing trend towards casualisation; I leave aside questions of progressive policymakers, Labor governments and the like. This matter affects all political parties that have an interest in ensuring the benefit of the community and, again, I leave aside questions about the rights of employees, employers and so forth. On a commonsense, compassionate and pragmatic level, we would like as many people who wish to work to the capacity at which they are able, to earn a living. We would like members of our community and their

families to have certainty in their lives so that they can create wealth for themselves and live the lives that many of us take for granted. The increasing trend towards what Hon Kyle McGinn described as the process of preferring casual and part-time employees is distressing. Casualisation contributes to the country's underemployment rate rather than its unemployment rate and disguises the country's employment level. But it also has a bias towards the interests of employers who could and should be creating medium to long-term positions and filling them with the best workers available to expand their opportunities, wealth creation and businesses and should be contributing to the community in other ways. The casualisation of the workforce has an economic roll-on effect and means that people are less capable of predicting their future and of investing in homes and investing in not only staples, but also luxury goods. The distress that it causes them wondering where their next pay packet is going to come from and whether it will be enough for what they need to provide their family with the basics has a roll-on effect. If it is allowed to continue, it will result in long-term economic and social disadvantages for our community. The question is: what should be done about it?

One solution may be to legislate in certain ways but the risk with that is we would be using a one-size-fits-all solution to the problems of several industries. It is my understanding that the major areas of casualisation and the greatest increase over the last several years has been in the hospital and healthcare industries. There has been a marked increase of casualisation in that field with part-time nurses and healthcare workers generally. The next largest one has been in the accommodation and hospitality industries. Of course, those industries are prone to the need for casual workers to fill in from time to time at restaurants, for example, as the peak patronage periods rise and fall. That involves working uncertain hours and the like. Casual employment is particularly useful to those who either already have full or part-time employment and want to fill in the gaps, those who are otherwise engaged, such as students, and those who are home based and wish to work only a few hours a week when it suits them. But the increase in that area is particularly disturbing if people rely on that as their sole source of income.

As I understand it, the construction industry is another area that has had a quite high casualised workforce over the last several years. Again, that may have something to do with the peaks and troughs in that industry. Of course, in Western Australia that can be traced back to things such as the cyclical experiences of our resource industries.

Legislation is not necessarily the answer because I do not think that it could be crafted in a sufficiently proper way, but plainly there has been a cultural shift and it seems that we will need to gather some incentives so that companies and employers generally with large, medium and small enterprises are encouraged to engage workers on a more certain basis to provide them with proper employment rather than underemployment. Likewise, it is not a question of being a progressive government. It is in the interests of all governments to try to reverse the current trend, and that means identifying the causes of that trend and pulling the correct economic and other levers to change the direction of that trend.

I thank Hon Kyle McGinn for raising this issue of significant importance. A robust economy leads to robust employment opportunities and hopefully that will occur. There are already signs that the Western Australian economy is coming out of the trough that it has been in for the last several years. That is no credit to the current government, although I am sure it will take the credit for it, because the economy began developing last year and is increasing. I hope that things will turn around in any event. It is an important policy area and I trust that Hon Kyle McGinn and others who are interested in it will contribute to the development of economic policy. The Liberal Party is anxious and keen to participate in that and support realistic measures to try to address that particular problem. Thanks again to Hon Kyle McGinn for his contribution to this issue.

HON ALISON XAMON (North Metropolitan) [12.06 pm]: I rise on behalf of the Greens to indicate our support for this motion and I thank Hon Kyle McGinn for bringing this important issue to the attention of the chamber. There is indeed a concern about the trend towards increased levels of casualisation of the workforce. Similar to other members who have already spoken, the Greens recognise that there will always be a place for casualisation in the workplace. It is an important way to ensure that we can offer employment to deal with the ordinary ebbs and flows of business opportunities. However, we share the concerns that we have moved to a greater rate of casualisation that does not reflect what we consider to be a normal or acceptable rate. The levels are quite concerning.

In April this year, Business Insider reported that job ads for casual roles on Seek have increased by 19 per cent year on year Australia-wide, with the rate being 30 per cent in Western Australia. Across South Australia and Western Australia, trades and services had the most casual job opportunities on Seek in March, so we are certainly heading in the wrong direction when we talk about precarious employment.

We know that casual work is now more pervasive than it was in the past, noting that most growth occurred prior to the late 1990s. Casual employment grew by a whopping 70 per cent between 1984 and 1998. Since that time and until recently, it has fluctuated around the 20 per cent mark. If we look at figures from employees only rather than all employed persons, the percentage of casuals as at August 2016 was 25 per cent. That number has remained static over the last 15 years. Independent contractors make up nine per cent of the workforce. Casual and independent contractors make up 30 per cent of the total workforce, which is a significant number of workers who operate under fairly precarious employment arrangements. Although there has consistently been more female than

male casuals—this issue predominantly affects women—the growth in male casual employment, albeit of a much lower base, has greatly exceeded that of female casual employment. Between 1992 and 2013, male casual employment increased at an annual average rate of four per cent, which was twice that of females at two per cent. However, although the number of male casual employees is starting to approach that of females, the incidence of casual employment is still significantly higher among females. In 2013, 26.7 per cent of all female employees were in casual jobs compared with the corresponding figure of 21.2 per cent for males.

There are a lot more part-time than full-time casuals. The proportion has remained fairly stable over the past couple of decades at about 2.3 part-time casuals for every full-time casual. There are genuine concerns for casual workers compared with ongoing workers. As has been mentioned, casual workers tend to be significantly younger. In fact, 39.3 per cent of all casuals are aged under 25 years. They are more likely to have been in their current job for less than a year, and they are more likely to have no superannuation coverage, which is a huge concern. They are more likely to want to work more hours than are available and to work on weekends, and they are less likely to access overtime. They tend to have much greater variation in their earnings from one pay period to the next, and they are less likely to be employed in certain areas such as the public sector. Significant changes have been made around industrial protections for casual employees. I note with concern the difficulty that can arise for employees who want to transfer from casual employment into stable employment, and to demonstrate that work is ongoing, and, for all intents and purposes, that it can be offered to them. However, they do not have an automatic entitlement to transfer over to the permanent employment arrangement, which can create very real issues for casual employees.

We have already spoken in the chamber this week about the difficulties for those people who want to buy their first home. It is really difficult for a casual employee to secure a mortgage or to get a loan. In fact, it is difficult to get a loan even for a car. Casual employment can create very real problems in enabling people to access the sorts of measures that a lot of us take for granted. There is a real risk in a person having to live from week to week, especially if they have children or dependants who need their support. The lack of leave entitlements creates real hardships for people when they cannot access sick leave, carer's leave, bereavement leave and a lot of the other leave that people take for granted and have been hard fought for and considered necessary. I note that additional leave is now being considered such as leave to address issues of family and domestic violence, which is great because it is a very important area. However, casual employees are not necessarily entitled to those types of leave arrangements. For people with children, it can be really hard for them to access child care. One of the problems with child care is that a place must be paid for regardless of whether it is used week in and week out. If a person is in casual employment, not only will they not necessarily know when they will need the child care, but also they could be left with quite high childcare fees for two weeks in a row, with no employment coming in. I do not think that people necessarily understand just how expensive child care can be. It is a real problem.

We know that employment is a key social determinant for people's mental health and wellbeing. However, if there is precariousness around a person's employment, it will create very real stresses and distress in their life and potentially the lives of family members.

I share the concerns raised by members about the reluctance of people who are on precarious employment arrangements to raise concerns about safety at worksites. It is a very real issue. People in this situation know that if they raise concerns, they might be the first to be let go. It is a very real problem that all of us should be concerned about. There are also issues around raising concerns if an employee is being sexually harassed, for example, or bullied or subjected to any form of discriminatory conduct by the employer. In my previous experience working in the union movement, it was often the casual employees who were most at risk of a lot of adverse and, indeed, unlawful behaviour by unscrupulous employers. However, they were the ones most reluctant to raise concerns around this area. These are the sorts of risks that occur for casually employed people, apart from the fact that they find it difficult to get on with their life and forge a career, as mentioned by other members, and get their foot in the door when purchasing a home. There are genuine concerns about how these people can manage their rights and wellbeing in the workplace. We need to look at this issue. I disagree with the suggestion that potentially no changes to our laws could be made that would help enforce the capacity for people to apply for their casual employment to become a more permanent arrangement. It is important that we look at exactly these sorts of issues and try to reclaim some of the lost ground that has happened for so many people within our workforce. I am concerned that the increased casualisation of work is not a positive trend for the community.

HON MATTHEW SWINBOURN (East Metropolitan) [12.15 pm]: I also rise to support Hon Kyle McGinn's motion. Like the member, I have a wealth of personal and professional experiences to reflect upon about the pernicious nature of casual and contingent work. It is a persistent and, unfortunately, increasing problem in our community, particularly for those workers who are now affected by it in many industries. I would like to make clear that the points I will make are not about attacking the notion of casual work in its entirety. There are certainly legitimate circumstances in which the use of casual labour is permissible and appropriate, such as seasonal work, work of a short or occasional nature, and work to address unplanned needs of an indefinite nature. Those circumstances have always existed and workers have been available and willing to meet those needs. However, casual work in many circumstances is now becoming illegitimate. Casual work is being used to undermine job

security and to take away and undercut entitlements. I am going to echo some of the comments made by previous members here when I say that it certainly takes away the privilege of annual leave. The capacity to take annual leave is an entitlement that was hard fought for and is well recognised by most people as being an important part of working life. In some circumstances, workers in the precarious situation that Hon Kyle McGinn talked about are waiting each day to find out whether they can work. Sometimes they are put in the rather ridiculous arrangement that is described as permanent–casual; a term that could not be any more of an oxymoron. I am not sure that those two concepts go together, but I have seen contracts written up for permanent–casual positions. People in those circumstances have regular, rostered and ongoing work patterns that are predictable and safe, but they do not get entitlements such as annual leave and personal leave, which makes up a component of paid sick leave and carer's leave. Those employees are denied those circumstances. Redundancy is also denied in many industries in which it would ordinarily be available when work disappears.

I was a casual employee for six years, but I am unsure what was casual about the job. I went to work on the same days every week and I worked the same hours, but it was a casual position. I worked as a milkman, which I will probably reflect on in my time here.

Hon Peter Collier: How old are you?

Hon MATTHEW SWINBOURN: Sorry, I was a commercial milkman. Let me just clarify: I did not run behind a truck or the horse and cart, which some older members might be more familiar with. I used to deliver the milk to Coles, delicatessens, hospitals, aged-care facilities and those sorts of places. In that time, I used to work as many hours as I could get away with. I was also studying at the time and barely living within my means, which were very modest, so I worked as much as I could. However, the hours were regular; I worked six days a week and I worked the same times each day. Sometimes the day finished later because the milk volume was greater, and sometimes it finished a little earlier, but it was fairly consistent. What I did not have during that period was annual leave and sick leave. However, I did get sick, and I needed to take time off when I married my wife. I had a couple of weeks off for my honeymoon, but I did not get any income because I had no annual leave.

Although it was probably some time ago, for my personal circumstances I found that that insecure, precarious and uncertain arrangement was not very satisfactory—and neither was it necessary. I would have been more than happy to have been in a permanent situation, earning money and getting my leave.

My professional experience is perhaps even more extensive than my personal experience. I have had the pleasure of working for a number of unions, which have covered a wide variety of industries. In my experience, the industries in which casualisation is most common are the hospitality, cleaning, aged care and security industries. My most recent experience is in the construction industry, in which it is becoming more prevalent. The prevalence is connected to labour hire. Workers who are engaged through labour hire firms on a casual basis do not even have a direct relationship with the people they work for to build projects. They are hired by faceless organisations because it is now principally done through the internet and over the telephone. Those workers' conditions are becoming more and more precarious, and sometimes they are working next to workers doing exactly the same jobs but for which they are paid less and have no security whatsoever.

Overwhelmingly, casualisation affects vulnerable workers: the young, the millennials; low-skilled workers; female workers, as Hon Alison Xamon pointed out; and recent immigrants. We have seen the controversy with 7-Eleven; those workers are not employed on a permanent full-time basis. They are employed casually in an operation that is run 24 hours a day, seven days a week. The company knows its needs but still chooses to employ its workers on a casual basis. It is not a necessity; it is a choice that is made. People from non–English speaking backgrounds are also heavily affected by this.

What is the effect on these workers? The most obvious one that has been mentioned here is the insecurity associated with working casually, such as workers not knowing whether they have another shift, not knowing whether they will have enough money at the end of the week to pay the bills because they have not had enough work, and not knowing whether, if they speak up in the workplace, the employer will ever offer them work again. It is quite right and proper for workers to speak up about any number of things in the workplace. A mature, developed employer that has an adult relationship with its employees should never be afraid of an employee speaking up about any number of issues. However, we see that the worker who speaks up is the worker who does not have a job the next time the call goes out—that has happened a lot. In our society, we have developed laws that prohibit such behaviour so instead of discrimination and victimisation being overt, it is now covert. Employees are never given a reason for why they did not get another job. They know that the week before they made a complaint about safety or how another worker was being treated and then they just did not get any further work. A reason is never given and the connection between the two can never be proven in a court of law. Everybody knows, but it is not what you know but what you can prove in court, and often you cannot prove that sort of thing. Those workers deal with that insecurity.

Casual employees are also denied access to employee protections such as unfair dismissal provisions. In many instances, casual employees are excluded from protection from unfair dismissal and even when there is some protection, it is often highly qualified and, as I said, they are vulnerable to exploitation.

What might be the motivation for an employer to illegitimately use casual work arrangements? One motivation is cost saving—that is, moving the burden from themselves onto the workers. People might say that casual workers get a loaded rate. I note that in Western Australia, under our industrial relations system, the loaded rate is 20 per cent, but under the federal system it is 25 per cent. The rate for casual workers in our state system is lower than the rest of the country. That compensation is not adequate because it does not account for the non-tangible benefits that are lost.

Casualisation also rewards poor management. Employers do not have to take responsibility for the way they structure rosters to productively use workers. With casualisation, they think they do not have to worry about tomorrow because they can just call up Joe or Josephine to get them to come into work, so it encourages poor management. It also shifts risks onto the community and the government because, among a range of other things, we have a group of workers who are at risk of default on their bills or of not having enough money and needing to go to agencies that provide support.

I have a number of other things I would like to say, but I am going to run out of time. I commend this motion to the house and I think we must all consider how we might address this situation. It is not good enough to have just economic growth. We need to make sure that the quality of that growth and the quality of the experience of people in that growth is worthwhile to all. With the casualisation of work, a segment of our community is missing out on the true benefits.

HON AARON STONEHOUSE (South Metropolitan) [12.25 pm]: I thank Hon Kyle McGinn for putting this motion forward because it is an interesting topic. I would like to address some of the points that have been raised throughout the debate. There will always be an underlying demand for casual work. There is an attitude among young people towards casual work, hospitality work and the like, that they like to have that flexibility. They do not necessarily want to be locked in. One of the reasons that we have seen an increase in casual work has a bit to do with automation. With less demand for low-skilled or unskilled labour due to automation, employers do not need to have people on full-time hours. They can have them there merely during peak times, with automation picking up a lot of the slack. Businesses need flexibility. There is a business cycle quite often of boom and bust, which we have seen here in this state. If businesses are locked in with long-term permanent employees, when they go through those busts, they sometimes need to downscale and cut employee positions. It may not be nice, but if they do not do that, a lot of those businesses will go under and when the boom time comes again, those businesses will be gone. Businesses need a certain level of flexibility.

We have to acknowledge that we have created incentives for employees to prefer casual work. We have created a system of leave entitlements and such that are nice for permanent employees but create an incentive for employers to look for casual work. Members might think that that is abhorrent but we have created those incentives. If we legislate to mandate permanent employment, as Hon Michael Mischin alluded to, there will be unintended consequences. If an employer is told that a low-skilled casual worker must be taken on as permanent and paid leave entitlements and so on, that will likely lead to further unemployment. Employers will look at automation instead of paying out those entitlements. What do members think will happen if we raise the cost of labour? That is my question to members opposite. In the most respectful terms possible, if we drive up the cost of labour and mandate that employers must pay entitlements for what would otherwise be casual work —

Hon Matthew Swinbourn: Labour costs have been kept steady as a total cost for some time now. Labour costs are not being driven up by these sorts of things and wages are stagnant at the moment.

Hon AARON STONEHOUSE: They can be, but if we tell employers that they have to give these entitlements to casual workers, who may be working a full week of work now, we drive up the cost of labour in the long term.

Hon Kyle McGinn: Isn't that what the 20 per cent loading is supposed to be addressing?

Hon AARON STONEHOUSE: It is, but —

Hon Kyle McGinn: That's meant to cover the entitlements, so what's the difference, if that's the case.

Hon AARON STONEHOUSE: There are other issues there but that is a good point.

The point that I am getting at is that if we push for more and more entitlements and higher wages, we drive up the cost of labour. Technology is getting better and we are getting automation. We will start forcing people out of the labour market eventually. We might find out later today that we will be seeing an increase in payroll tax. That is my basic question: as we drive up the cost of labour, what do we expect will happen? Hon Matthew Swinbourn said that we are encouraging poor management. If we drive up the cost of labour until a business cannot stay competitive, what will happen to that business? That business will probably go under. In the long run, driving up the costs of labour will cost jobs in the long run. That is the only point that I wanted to make.

HON ADELE FARINA (South West) [12.30 pm]: I note that I have very little time so I am going to have to focus very carefully on what I want to say. We are not saying that all casual work is bad, because a sector of the community benefits greatly from being able to engage in casual work. However, 40 per cent of the workforce is now casualised and most of those people prefer to be in full-time employment if they can get it; they are simply not able to get it. Casualised employment is a huge issue in the south west, particularly in coastal towns that rely

heavily on tourism and where a lot of employment is in retail, accommodation, cafes, restaurants and that sort of thing. In those towns not only is that having a huge impact on individuals who are constantly stressed and vulnerable as they wait from week to week to find out how many hours they have in the following week and whether they are going to be earning enough money to pay for their living expenses, but also it is creating longer term social problems. I know many couples, both of whom can secure only casual employment. They struggle to secure private rental accommodation because they have only casual employment. When they do secure private rental accommodation they struggle from week to week to pay the rent because their hours of work fluctuate and, therefore, their income fluctuates greatly. They share the same dream we all do—to own a home. Yet that is an impossible dream for them, because as casual workers on fluctuating incomes, they cannot secure a loan from the banks to buy a home. Even if they did, they would struggle to maintain a mortgage because they do not have a reliable source of income. They also have very little capacity to get out of that situation because full-time employment is simply not available; casual employment is all they are going to get. Their conditions are constantly undercut, and because they have such poor bargaining positions within the workforce, they are not able and are too scared to negotiate better terms and conditions because some employment is better than no employment.

The biggest impact of the casualisation of the workforce is on housing because these people are on the public housing waiting list. They often struggle from week to week to secure their rent payments and they know that at any point in time that could default on their rental payments so they are on waiting lists for public housing. When these people reach retirement age, if they have not been able to purchase a home—most of them will not have been able to because they have been in long-term casual employment—they will be on the public housing waiting list, looking for housing. In the meantime, they are on the street. People seem to think that hopelessness is a product of a lack of employment. The reality is that 40 per cent of homeless people are engaged in underemployment. They are working, but they are in casualised employment; they are not getting enough hours and they are homeless because they cannot pay the rent and cannot secure a loan from a bank to buy housing.

If we do not start to address this problem, the social ramifications down the track for the community are going to be absolutely huge. If we think we have homelessness problems now, we should look 10 or 20 years down the track. The community will not be able to sustain the level of homelessness that it will be confronted with.

Motion lapsed, pursuant to standing orders.

FIRST HOME OWNER GRANT AMENDMENT BILL 2017

Committee

Resumed from 5 September. The Chair of Committees (Hon Simon O'Brien) in the chair; Hon Stephen Dawson, (Minister for Environment) in charge of the bill.

Clause 1: Short title —

Progress was reported after the clause had been partly considered.

Hon STEPHEN DAWSON: When this bill was last in the Committee of the Whole House a few questions were left unanswered. I have gone away with my advisers and now I will address those issues in the next couple of minutes, hopefully to members' satisfaction.

Hon Nick Goiran referred to section 53(3) of the First Home Owner Grant Act, which provides that the commissioner has the power to recover in a court of competent jurisdiction a grant that is required to be repaid, and penalties, interest and fees associated with registering and cancelling a memorial. He said that the commissioner can do all those things in a court of competent jurisdiction but that it is no clearer why it is necessary to insert clauses 15 and 16 of the bill. Provisions in the First Home Owner Grant Act require an applicant to repay those amounts listed in section 53(1)—being a grant amount, penalties, interest and fees associated with registering and cancelling a memorial in certain circumstances. For example, section 21 requires the applicant to repay the grant and any applicable penalties if the applicant does not satisfy the residence requirements. Section 53(3) allows the commissioner to recover these amounts in a court of competent jurisdiction if the applicant does not pay them. However, no specific provision in the act requires an applicant to repay legal costs incurred in recovery proceedings. Clause 15 inserts the provision that allows the commissioner to require an applicant to pay the legal costs incurred. Clause 16 amends section 53(1) to include legal costs incurred in recovery proceedings as an amount that the Commissioner of State Revenue can recover as a debt in a court of competent jurisdiction if the applicant does not pay those costs.

During the previous debate, Hon Nick Goiran also asked whether the government will move to delete clauses 15 and 16 from the bill. The government will not be moving an amendment to delete clauses 15 and 16 from the bill. The amendments contained in clauses 15 and 16 of the bill are required to align the recovery provisions in the First Home Owner Grant Act to the recovery provisions in the Taxation Administration Act. The need for alignment arises from the interaction between the first home owner grant paid under the First Home Owner Grant Act and the first home owner duty concession allowed under the Duties Act. A first home owner is generally entitled to the first home owner duty concession if they satisfy the eligibility criteria for the grant. I will give an example of

that. Say someone called Jane purchases a vacant block of land for $300 000 and pays transfer duty at the residential rate of $8 835 for that purchase, when Jane enters into a contract to build a new home on her land, she becomes entitled to and is paid a first home owner grant of $10 000. A condition of the grant is that Jane will take up residence in her new home within 12 months of its completion and reside there for at least six continuous months afterwards. Because Jane has received the first home owner grant, she is entitled to have the transfer duty on the purchase of her land reassessed at the first home owner concessional rate of duty. This results in Jane receiving a full refund of $8 835. Unfortunately, if Jane does not meet the conditions of residence associated with the payment of the first home owner grant, she is required to repay the $10 000. As Jane is no longer entitled to a first home owner grant, she also loses her entitlement to the first home owner transfer duty concession. This results in the transfer duty payable on the purchase of her land being reassessed to $8 835. Should there be problems recovering the money Jane is required to repay, the commissioner would commence recovery action. Any action in respect of recovery of the first home owner grant would be taken under the provisions of the First Home Owner Grant Act 2000. The action in respect of the recovery of the grant of the transfer duty assessment would be taken under the provisions of the Taxation Administration Act 2003, which is used for the recovery of all taxes that are administered by the commissioner. The Commissioner of State Revenue is currently able to recover any legal costs associated with recovery action taken under the Taxation Administration Act, but not in respect of recovery action taken under the First Home Owner Grant Act. As the recovery action for the grant and the duty is taken simultaneously, the recovery provisions should be aligned to allow the commissioner to recover the legal costs associated with recovering the grant debt and the related duty liability.

During debate on the First Home Owner Grant Amendment Bill 2017, Hon Nick Goiran also asked what the current recovery process is and the legal costs that the commissioner seeks to recover during the process. As stated during Committee of the Whole a couple of days ago, the recovery process starts off with debt due, which usually consists of the grant amount and the related duty liability for which the first home owner received a first home owner duty concession. For the boost scheme, this could be an amount of up to $29 440.

If the liability remains unpaid, the commissioner will send reminder letters and encourage the applicant to enter into a suitable instalment payment arrangement. If the debt remains unpaid, the commissioner will secure the debt by lodging a memorial over the land. If the applicant still fails to pay the debt or enter into an instalment arrangement after the memorial is lodged, as a last resort the commissioner may seek to recover the unpaid debt through the Magistrates Court. Currently there are no legal costs associated with the first three stages of the recovery process—that is, debt becoming due, negotiation, and lodging a memorial.

Hon Nick Goiran also asked why the government should have the privilege of being able to outsource the work and recover the cost for that when no citizen of Western Australia has that right.

Hon Nick Goiran: That's not exactly what I asked.

Hon STEPHEN DAWSON: Well, it was along those lines; we raised this the other day.

The commissioner does not presently outsource, on a fee-for-service basis, the recovery of the first home owner grant and associated amounts, except in the rare event that the person is domiciled in another jurisdiction, which obviously requires proceedings in that jurisdiction. Members should bear in mind, though, that the first home owner grant is funded by taxpayers on the expectation that applicants comply with the conditions of the grant, including the requirement to repay it if they do not go ahead with what they were doing. If all attempts to seek a voluntary repayment of the debt fail, it is only appropriate that the government is able to recover the costs associated with the recovery of the debt.

The legal costs are currently incurred during the fourth stage of the recovery process, when the commissioner commences proceedings. The costs that the commissioner usually seeks to recover are the court filing fee and the bailiff fees associated with lodging a general procedure claim with the Magistrates Court. Under the First Home Owner Grant Act, the commissioner cannot require an applicant to pay these legal costs in the absence of a court order. The legal costs can only be recovered in the court proceedings in the event that the court makes a costs order in the commission's favour. In situations in which the matter does not proceed to court because the applicant pays the outstanding debt or enters into an instalment arrangement after a general procedure claim is issued, the legal cost of issuing the claim is not recoverable and is a cost to the state and to taxpayers.

Advice from the State Solicitor's Office has confirmed that the commissioner does not currently have the power under the First Home Owner Grant Act to recover the legal costs of issuing a general procedure claim in these circumstances. The legal costs associated with lodging a claim for the duty-related liability are recoverable under the Taxation Administration Act. Sections 60 and 62 of that act provide that legal costs are taxed, and if it is unpaid, it is a debt that is due to the state. Although the legal costs incurred when recovering a grant amount are not significant, inserting proposed section 52A will align the First Home Owner Grant Act with the Taxation Administration Act so the commissioner can recover the costs of issuing a general procedure claim for recovering the grant, and the related duty liability.

The CHAIRMAN: Order, members. The question is that clause 1 do stand as printed.

Hon STEPHEN DAWSON: Thank you, Mr Chair. There are a couple of other issues I want to address as a result of the conversations the other day.

Hon Nick Goiran also mentioned during debates that a first home owner who is not entitled to a grant not only has to pay back the original amount, interests and other costs, but also, if they do not comply with a garnishee order, will have to pay a penalty of $20 000. I am advised that this is incorrect. If a person does not comply with a garnishee order, it is the garnishee—for example, an employer of the applicant—who is liable to pay the penalty of $20 000 if they have been convicted of an offence under section 54A by not complying with the order. It is not the applicant who pays the penalty in situations in which a garnishee order is not complied with. The $20 000 penalty is a court-imposed penalty payable to the court and not the commissioner. Garnishee orders are a separate matter to recover legal costs incurred in recovery proceedings.

During debate I stated that we do not believe the fees associated with registering and cancelling a memorial are recoverable under a memorial. This has been checked, and I would like to make a correction to that statement and apologise. Section 55 of the First Home Owner Grant Act currently allows the fees associated with registering and cancelling a memorial to be secured under the memorial. However, if the fees are not paid by the applicant, the commissioner will commence legal proceedings to recover the fees, and it is the legal costs associated with those proceedings that cannot currently be recovered.

Again, during Committee of the Whole, Hon Peter Collier asked whether the figures on the number of boost applications presented to the other house were correct. I have gone back to check and I can reconfirm that the numbers were based on Treasury's estimates and that the number of boost payments are tracking to that estimate. That is the latest information. New forecasts for the first home owner grant will, of course, be available in the 2017–18 budget, so we should have some further figures later in the day.

They were, I think, all the issues that remained outstanding from the other day. The issue was left hanging and I wanted to make sure that I was able to address the issues and concerns that were raised by Hon Nick Goiran. Hopefully I have done that.

Hon NICK GOIRAN: I want at the outset to thank the minister for a very comprehensive response to the issues raised a couple of days ago. In particular, I thank him and the advisers for the information in respect of the garnishee penalty; it was very concise and helpful.

Is the minister able to indicate in what circumstances the government would seek to recover a grant that had been issued to an applicant?

Hon STEPHEN DAWSON: While my advisers find a comprehensive list, if it is available, the answer to the question is that we would seek to recover if the applicant failed to meet the residency requirement, under which they have to live there for a period; if the applicant had previously owned another house, which means that they are not entitled to the first home owner grant; and also if they did not comply with the boost payment requirements. I am advised that the other factor that would come into play would be if we found out that they were not an Australian citizen or a permanent resident.

Hon Nick Goiran: But dual citizenship is okay!

Hon STEPHEN DAWSON: That is a different debate, member!

Hon NICK GOIRAN: I thank the minister for outlining those four circumstances. I understand that the government can recover from an applicant if they do not meet the residential requirement, if they have previously owned a home, if they do not meet the requirements for the boost payment and if they are not an Australian citizen. What are the requirements for a boost payment?

Hon STEPHEN DAWSON: One of the conditions for the boost payment is that the home must be completed within a certain time frame. For contracts to build a home, construction must start within 26 weeks from when the building contract is signed and the home must be completed within 18 months after construction commences. For an owner–builder or the purchase of a new home off the plan, including apartments, construction of the home must be completed by 30 June 2019. The other condition is that they need to have entered into the contract between 1 January 2017 and 30 June 2017.

Hon NICK GOIRAN: I thank the minister for outlining those requirements. The residency requirement is pretty straightforward. I take it that that would have been required since the commencement of this act in 2000. Yesterday, I asked a question without notice of which some notice was given about the various classes of eligible transactions. The minister indicated in his answer that, for example, class 1 transactions covered the period from 9 March to 8 October 2001. As I understand the act, that is the earliest time when grants were able to be provided under the act, and since then there have been numerous variations to that and other transactions. However, as far back as 2001, grants have been issued—different transactions—and from time to time there have been recoveries, which might have been required because the person did not meet the residency requirement, they had previously owned a home, they were not a citizen or they might not have met the boost requirements. Can the minister confirm that that is correct and that these recovery entitlements of government stem back as far as 2001?

Hon STEPHEN DAWSON: No, member. I am advised that the grants started on 1 July 2000. The answer to the question that the member asked yesterday related to the boost payments, which is a separate issue. The dates in that answer, which start with 9 March 2001, were simply for the boost payments, but the grants started a year earlier. The other point is that the answer to the question that the member asked yesterday related to previous commonwealth boost schemes.

Hon NICK GOIRAN: The date that the minister just provided is 1 July 2000. Since 1 July 2000, WA taxpayers have funded first home owners at varying levels, and those grants have been provided to applicants, subject to a decision by the commissioner, and from time to time the commissioner has needed to recover from these applicants because they have not met certain requirements. Has the commissioner had the capacity to recover from these applicants since 1 July 2000?

Hon STEPHEN DAWSON: Yes, member, that is correct.

Hon NICK GOIRAN: Since 1 July 2000, the commissioner has needed to recover payments from time to time. Does the minister know how often this has occurred? I also indicate to the minister that when I talk about the commissioner needing to recover, and given the information that the minister has already provided, I am talking about the court recovery process. The minister has already indicated to the chamber that that is a four-stage process and there are no legal costs involved in the first three stages. I am talking about the final stage. In what circumstances and on how many occasions has the commissioner needed to recover in court since 1 July 2000?

Hon STEPHEN DAWSON: I have some information so I can answer that question. However, given the time, I will move that we report progress on the bill and seek to sit again, because following the lunch break, we will have the budget speech.

Progress reported and leave granted to sit again at a later stage of the sitting, on motion by Hon Stephen Dawson (Minister for Environment).

[Continued on page 3524.]

Sitting suspended from 12.59 to 2.00 pm

ESTIMATES OF REVENUE AND EXPENDITURE

Tabling of Budget Papers

Hon Stephen Dawson (Minister for Environment) tabled the budget papers.

[See papers 469A–D.]

Consideration of Tabled Papers

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Environment) [2.00 pm] — without notice: I move —

> That pursuant to standing order 69(1), the Legislative Council take note of tabled papers 469A–D (budget papers 2017–18) laid upon the table of the house on Thursday, 7 September 2017.

This motion enables the Legislative Council to examine and debate the budget papers associated with the appropriation bills, which are now before the Legislative Assembly. The Treasurer's budget speech accompanying the budget papers provides the detailed economic and financial framework for the 2017–18 budget.

[The Minister for Environment read the following speech.]

INTRODUCTION

Madam President, the 2017–18 Budget addresses the fiscal legacy that we have inherited.

This Budget strikes the balance of delivering on our election commitments, of creating jobs and getting the State's finances back on track. The 2017–18 Budget will put us back on the road to deliver a forecast surplus by 2020–21.

Madam President, in 2017–18, the McGowan Government's first full year in office, we will see underlying expense growth of just 2.4 percent.

To put that number in context, the first full year of the former Government saw expense growth of 10.9 percent.

Since Labor was last in office, the Western Australian economy has experienced strong growth, expanding by an average of 4.7 percent per annum or a total of around 45 percent.

This rapid growth was driven by an unprecedented expansion in business investment to a record peak of $78.6 billion in 2012–13. To put this in context, Madam President, investment in our State at this time was greater than the combined level of investment in Victoria, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.

The expansion in iron ore and LNG projects that underpinned this growth also created significant demand for labour, which saw employment and wages grow at near record rates. There was also a large increase in our population, with an average of around 1,080 people migrating to the State each week in 2012–13.

Tight labour and housing market conditions flowed through to strong growth in taxation revenue, in particular payroll tax, while solid growth in commodity prices saw royalty revenues expand.

Unfortunately, Madam President, during this time of extraordinary revenue growth, the former Government left the State's finances vulnerable to economic and fiscal shocks. Expense growth of 33.2 percent over that first term of the former Government created the structural imbalance we are now forced to address.

The large projects that drove the boom eventually passed peak construction and so the investment dollars being injected into the State's economy started to fall. As the demand for labour fell, so did employment, wages and population growth. This coincided with dramatic falls in iron ore prices in 2014.

This meant that while Government expenditure continued to grow, revenue growth fell away rapidly. On top of this, the lagged nature of the GST distribution process meant that our GST grants were falling at the same time as tax and royalty collections declined.

GST Distribution

The idiosyncratic and unfair distribution of GST means we lose an incredible 88 percent of our iron ore royalties to other States.

The bottom line with the GST is that it does not, and has not for a long time, adequately recognised Western Australia's spending requirements, and it has unfairly discriminated against our royalty revenues.

The GST is distributed between the States and Territories based on data that is up to four years out of date, which compounds our already high revenue volatility. It also means that the GST grant we currently receive is based on data that suggests we have a higher capacity to raise revenue than is actually the case. Our 2017–18 GST grant still partly reflects peak iron ore royalties in 2013–14. Western Australia is in its fifth year of domestic recession and yet our GST grant is still at a near record low, at just 34.4 percent of our population share. This represents an effective loss of $4.4 billion in GST revenue to other States and Territories in 2017–18 alone.

Madam President, we welcome the Commonwealth's initiative to commission a Productivity Commission Inquiry into the GST distribution system. But this does not represent a firm Commonwealth commitment to reform, nor address the immediate need for action.

There are limits to what we can do to compensate for our manifestly inadequate GST share, and without GST reform we will ultimately need to seriously consider other revenue options.

Economic Outlook

Meanwhile, after the protracted slowdown in economic growth over the past five years, the Western Australian economy is now beginning to show signs of recovery.

The State's economy, as measured by Gross State Product, is forecast to grow by 3 percent in 2017–18, following estimated growth of just 0.25 percent last financial year. Finally, after five straight years of negative growth, 2018–19 marks a growing domestic economy.

The rebound in economic growth reflects continued strong growth in net exports, and a reduced drag from business investment. We anticipate that over 90 percent of the total forecast fall in investment from its 2012–13 peak will be over by the end of 2017–18.

Recent signs of recovery in the labour market, including a rise in full-time employment and advertised job vacancies, are very encouraging. Employment is forecast to grow by 1.5 percent or around 20,000 people in 2017–18, which will be supported by growth across a range of service-related industries, including tourism, as well as agriculture and the gold and lithium industries.

The State's emerging lithium industry is being driven by very robust growth in demand for rechargeable batteries for electric cars and renewables. Over the next two years, lithium mining production is expected to double and manufacturing of lithium chemicals is expected to commence. Western Australia is well placed to respond to increased demand in key markets such as China.

The Western Australian economy is forecast to continue growing at around 3 percent per annum over the remainder of the forward estimates period, with an expected return to growth in business investment from 2019–20 underpinning a recovery in employment, population and wages growth to more normal rates.

Fiscal Outlook

Sadly, these positive signs do not immediately impact on State revenue. Indeed, Madam President, since the Pre-election Financial Projections Statement, or PFPS, the general government revenue estimates have been revised down by a massive $5 billion over the period 2016–17 to 2019–20. The revenue revisions are across-the-board and reflect:

- downward revisions to royalty income (down $1.8 billion), due to lower iron ore prices and a higher $US/$A exchange rate;
- lower GST grants (down $1.7 billion), due to the impact of the 2016 Census on the State's population and a lower than forecast GST relativity for 2017–18;
- weaker taxation revenue (down $777 million), due to lower collections of land tax, payroll tax and insurance duty; and
- lower tied grants from the Commonwealth (down $572 million), due to changes in funding arrangements in the Commonwealth's 2017–18 Budget for schools, hospitals and other service delivery areas.

The Government has worked hard to mitigate these impacts through a $3.5 billion package of Budget repair measures, which I will outline shortly. We have also worked hard to ensure that the majority of election commitments included in this Budget are funded through offsetting savings and reprioritisation of existing funding. As a result, we have limited the net debt impact of our election commitments to $603 million over the next four years.

Nevertheless, the size of the revenue revisions means the forecast general government operating deficit in 2017–18 is $2.3 billion. In addition, total public sector net debt is now expected to reach $43.8 billion by 30 June 2020 and then begin reducing to $43.6 billion by the end of the forward estimates period.

While this is a $2.5 billion increase in the level of net debt relative to the PFPS projections, this Budget has not only accommodated $5 billion in revenue write-downs since the PFPS as well as the Government's election commitments, but also a range of unfunded cost pressures left to us by the previous Government across a broad range of areas of public policy.

The 2017–18 Budget includes an estimated general government operating deficit of $3 billion for the 2016–17 financial year, consistent with the PFPS estimate. It is important to note, however, that this remains an estimate, with the final audited results for 2016–17 to be released later this month in the Annual Report on State Finances. Data processed by the Department of Treasury after the 7 August cut-off date for this Budget indicate that the general government operating deficit for 2016–17 will likely be in the order of $2.5 billion—although, as indicated, final audited results will not be available until later this month.

THE PATH BACK TO SURPLUS

Madam President, as promised at the election, the McGowan Labor Government is committed to repairing the damage done to the State's finances by the previous Government.

A key first step was to put in place a range of effective financial targets to guide the Government's decision-making and to monitor progress in addressing this significant challenge. Our new targets include a focus on reducing the general government operating deficit each year, and we expect to meet this target each and every year of the forward estimates. As a result, the forward estimates indicate a return to a surplus of $1.3 billion in 2020–21.

We are also focusing on reducing the proportion of total public sector net debt held by the non-income producing general government sector. This has been a challenging target with the revenue write-downs since the PFPS, but we also expect to meet this target by the end of the forward estimates period.

Constrained Expense Growth

I made the point earlier about the former Government's inability to restrain expense growth. The McGowan Labor Government knows the only credible way back to surplus, to start to reduce net debt, is to control expenditure growth.

Today, we hand down an inaugural Budget with an expected average annual expense growth of just 1.9 percent. Obviously, the challenge will be in the delivery.

The McGowan Labor Government has delivered $3.7 billion of election commitments, at a cost to net debt of just $603 million.

Debt Repayment Account

Another key part of our financial management plan is the establishment of a Debt Repayment Account.

If the Government receives any unanticipated or windfall revenue it will be placed into this Account to ensure the money is used for the repayment of outstanding Consolidated Account borrowings. Already, as part of this Budget, $169 million from a large one-off stamp duty assessment and a further $169 million in surplus RiskCover funds will be appropriated to this Account for the repayment of debt.

Budget Repair

Madam President, as noted earlier, this Budget includes a $3.5 billion package of Budget repair measures. These measures respond to the revenue challenges I have outlined and commence the task of returning the State's finances to a sustainable footing. Importantly, we have designed our Budget repair package to be as fair as possible, and to reflect the need for the whole community to contribute to this important task.

Importantly, this Government has limited the impact of the Budget repair measures on ordinary Western Australians, with households being asked to contribute less than 9 percent of the total Budget repair measures. We have, as a Government, controlled what we can control, namely, expense growth. As a result, the public sector has borne $2.2 billion of the savings, around 63 percent, and the corporate sector will be asked to contribute $922 million, or around 26 percent of the Budget repair measures. Some key elements of our Budget repair package have already been announced and implemented, including changes to household fees and charges, and the new public sector wages policy.

New Budget repair measures announced in this Budget include:

- a Voluntary Targeted Separation Scheme for 3,000 full-time equivalent public sector employees, with priority given to agencies subject to the recent Machinery of Government changes;
- more efficient utilisation and leasing arrangements for Government office accommodation and changes to State Fleet policy and procurement settings are anticipated to deliver net debt savings of $127 million over the forward estimates period;
- a range of efficiency measures for Government Trading Enterprises will reduce net debt by $473 million over the next four years;
- a temporary Budget repair levy will be placed on major corporates through a new, progressive payroll tax scale to be implemented from 1 July 2018. This levy will be in place for a finite period of five years, under which employers with Australia-wide payrolls between $100 million and $1.5 billion will be taxed at a marginal rate of 6 percent, while those with a payroll exceeding $1.5 billion will be taxed at a marginal rate of 6.5 percent. This Budget repair levy is estimated to raise $435 million over the forward estimates period, and will only affect the largest 8 percent of all employers liable for payroll tax in the State;
- a tiered royalty rate for gold will be introduced from 1 January 2018, whereby the current 2.5 percent rate will apply when the gold price is $A1,200 per ounce or less, and an increased rate of 3.75 percent will apply (on the full royalty value) when the price is above $A1,200 per ounce. Based on the current gold price this equates to around an additional $20 in royalty per ounce. From 1 July 2018, we will also remove the current exemption for the first 2,500 ounces of gold metal production for miners that produce more than 2,500 ounces of gold metal in a financial year. These changes, which are broadly consistent with the previous Government's Mineral Royalty Rate Analysis, will increase royalty revenue to the State by around $392 million across the forward estimates period;
- from 1 January 2019, we will introduce a new 4 percent foreign owner duty surcharge on purchases of residential property by foreign individuals and entities, which is expected to raise $49 million over the forward estimates; and
- we will also be reforming wagering taxes from a target date of 1 January 2019. Traditionally, wagering products have been taxed in the jurisdiction from where they are supplied, but with the increasing availability of online and mobile wagering, this has led to online bookmakers and betting exchanges locating themselves in lower taxing jurisdictions such as the Northern Territory. Following agreement by Treasurers at the March Council on Federal Financial Relations meeting to consider a common national approach, the Department of Treasury will begin consultation with the industry on implementing a point of consumption tax. This measure is expected to raise a net $52 million over the forward estimates period.

The Treasurer has made a number of public comments on the South Australian Government's decision to introduce a State-based major bank levy. The Western Australian Government gave up State-based bank taxes in return for the introduction of the GST in 2000. Had these now abolished taxes still been in existence they would have raised the State Government around $300 million in 2017–18. A bank levy,

similar to that announced by South Australia would, if implemented in Western Australia, improve our net operating balance by around $250 million in 2017-18. The failure of the GST to provide the expected returns to Western Australian taxpayers means this Government must continue to consider alternative revenue measures to make up for this GST shortfall. We will continue consideration of a State-based major bank levy in the absence of genuine GST reform or our Parliament not passing other revenue measures.

As I mentioned earlier Madam President, our full package of Budget repair measures delivers net debt savings totalling $3.5 billion over the next four years, and has been designed to ensure that the whole community contributes as fairly and evenly as possible to the critical task of repairing the State's finances.

BETTER SERVICE DELIVERY

Madam President, it is also our goal to improve service delivery. Upon coming to office, we immediately recognised the need for reform of the public sector. Reform in the way services are delivered. Reform as to how spending decisions are made.

While our Service Priority Review is a prime component of this reform, we have other reform processes in place. These include the Commission of Inquiry into Government Programs and Projects; the Sustainable Health Review; and development of a Justice Pipeline Model to improve integrated decision-making by simulating and forecasting activity across the entire justice system.

ROYALTIES FOR REGIONS

Madam President, the McGowan Labor Government will not amend the Royalties for Regions legislation. Each year 25 percent of the State's royalties will be paid into the Royalties for Regions Fund, subject to the $1 billion ceiling not being exceeded, and each year the McGowan Labor Government will fund regional projects from the Royalties for Regions Fund.

Accordingly, this Budget includes $4 billion of projects and programs funded by Royalties for Regions across the forward estimates period.

Importantly, this Budget also does not shy away from putting the Royalties for Regions program, and the State, on a sustainable financial footing.

The Government has undertaken a comprehensive review of all Royalties for Regions initiatives, prioritising delivery of job-generating regional election commitments and the delivery of community infrastructure and services throughout regional WA. This review has resulted in $861 million of regional programs, which were previously centrally funded, now being supported through Royalties for Regions.

Programs including the Patient Assisted Travel Scheme to support patients who need to travel for treatment, and funding to subsidise the higher costs of delivering water, drainage and sewerage services to people in regional Western Australia so they pay the same price as people living in metropolitan areas. Royalties for Regions funding will also be provided to support essential services to remote communities following the withdrawal of Commonwealth Government funding.

More than $1 billion will be invested in new projects in regional WA targeting job creation, regional health, mental health, education, roads, tourism and economic development. This has been balanced against the need to retain critical existing regional projects.

Investment in tourism, including destination marketing and events, will help to grow the number of people visiting regional WA from interstate and overseas. New and upgraded road, rail and port infrastructure will be built. This will help drive the economy and make travelling on country roads safer.

Included in our initiatives is:

- $50 million to seal the next stage of the Karratha to Tom Price Road, which will encourage more visitors to the area and create more local jobs for the future; and
- $30 million to upgrade the South Coast Highway between Albany and Jerramungup.

Extra support will be provided in classrooms across the State. Education Assistants and Aboriginal and Islander Education Officers will be employed throughout our regional schools. Additional dedicated teachers will be employed in regional schools to support more students to complete years 11 and 12 in major regional centres.

DELIVERING OUR ELECTION COMMITMENTS

Now, Madam President, while we have commenced these significant reforms and developed our Budget repair strategy, the Government has also begun implementing its election commitments.

Reprioritisation of expenditure has meant that the Government's election commitments, despite costing $3.7 billion, will actually only increase net debt by $603 million. As we have previously announced, the Government is reallocating over $1.2 billion of Commonwealth and State funding from the former

Perth Freight Link project to fund a range of METRONET commitments. We are investing $674 million of Royalties for Regions funding in delivering on our election commitments to regional WA.

These are the first steps in the delivery of the McGowan Labor Government's election commitments.

Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development

Madam President, to boost local jobs, we are spending $39 million on the Local Projects Local Jobs grants program, which includes $10 million in regional areas. We will also enact legislation to promote increased local jobs and local business participation in government procurement activities and major resource projects.

To develop economic opportunities and create new jobs in Collie, we have created a $20 million Collie Futures Fund. This investment is a sign of our commitment to build a sustainable future for a town that has been a major contributor to our State's economy as it undergoes a period of significant transition.

In Albany, the Government will invest $19.5 million to establish a Wave Energy Research Centre.

Madam President, this Budget will deliver around 30 new jobs for Aboriginal people in regional WA. This will occur through the Aboriginal Ranger Program. This is part of a five-year $20 million investment that will employ Aboriginal people through direct employment and fee-for-service contracts, carrying out such work as biodiversity monitoring and research, management of tourism and cultural sites, weeds and feral animals, prescribed burning, bushfire suppression, and construction of recreational facilities.

Improving diversification of the State's economy is also high on our agenda.

Tourism is a key economic driver in Western Australia and plays a vital role in creating local jobs. We are investing a total of $425 million over five years towards Destination Marketing and Event Tourism to focus on bringing more visitors to the State.

To support new and emerging businesses in the high-tech sector we have allocated $16.7 million to establish a New Industries Fund, including $4.5 million to drive innovation in the regions.

In line with our election commitment, we have established Defence West as a specialised unit in Government and have appointed a WA Defence Advocate to help actively campaign for a greater share of Australia's defence contracts, thereby creating more jobs for Western Australians.

We are following through on our election commitment to introduce and support science programs and coding in primary schools to help prepare our kids for the jobs of the future. We will invest $17 million to convert targeted primary school classrooms into science labs and $2 million to upskill teachers so they can integrate coding into their teaching.

This Government also intends to give students more certainty and encouragement to undertake training. This is why we are implementing a freeze on Vocational Education and Training fees, commencing in 2018. This decision will allow more Western Australians to get the skills they need to get a job and help grow our State's economy.

Strong Communities: Safer communities and support for families

Madam President, the Government is working hard to enhance community safety, tackle the meth scourge and protect the vulnerable.

We are investing a further $48.2 million to implement a State-wide, coordinated and targeted Methamphetamine Action Plan. This includes additional funding for methamphetamine treatment facilities, and the establishment of a new residential alcohol and drug treatment service in the South West.

We are also providing $83.5 million to WA Police to recruit 100 police officers and 20 specialist staff to establish a Meth Border Force. If we can disrupt the supply, then hopefully we can reduce the devastating impacts of methamphetamine in our community.

Madam President, the Government is also providing $6.8 million over four years for staffing and building improvements necessary to provide 24/7 operations at Armadale, Ellenbrook and Cockburn police stations, as well as extending opening hours at Forrestfield, Belmont and Canning Vale police stations. A new police station will also be built in Capel.

As part of our Stopping Family and Domestic Violence package, the Government has allocated $12.4 million over four years to hold violent perpetrators accountable, keep victims safe, and prevent violence against women and children.

This Budget also includes a range of election commitments to deliver a sustainable health system that puts patients first.

The establishment of Urgent Care clinics will be supported through a community awareness campaign. This will allow patients who have non-life-threatening illnesses or injuries to receive appropriate treatment without the need to present to an emergency department.

We will deliver the *Let's Prevent Program*—a pilot initiative to educate and encourage participants to make the necessary changes to avoid chronic conditions.

We are committed to putting patients first by being accountable through feedback and ongoing conversations to ensure patients have a say in the way we care for them.

The Government has also committed to a 10-bed community mental health step up/step down service in Kalgoorlie, which is expected to open in late 2020 and will help support people in their community by providing care close to home.

Madam President, our significant investment over the next four years in educating our children includes:

- $58.9 million to put an additional 300 education assistants and 50 Aboriginal and Islander Education Officers back into public school classrooms;
- $31.7 million for an additional 72 full-time equivalent teachers to mentor, teach and share their knowledge in order to improve teacher quality; and
- $13.2 million to appoint an additional 30 full-time equivalent teachers who will be trained to lead the delivery of mental health programs in schools.

We are also making a significant investment in school infrastructure, totalling $1.4 billion across the forward estimates. This includes $67.8 million for Stage 1 of the new Inner City College on Kitchener Park in Subiaco, which is scheduled to open in 2020.

Better Places: A quality environment with liveable and affordable communities

Madam President, in shaping this Budget, one of our primary goals has been to ensure Western Australia has liveable and affordable communities, strong and vibrant regions, and exciting cultural and sporting events. We are also committed to protecting and enhancing our environment.

As part of our decision to cancel the flawed Perth Freight Link project, the sensitive Beeliar wetlands and valued bushland in the Roe 8 corridor are being rehabilitated, with support from the local community.

The community also wants reduced traffic congestion and accessible and quality public transport. On 7 May 2017, we announced jointly with the Commonwealth a substantial $2.3 billion road and rail infrastructure package for the State.

The 'Boosting Jobs, Busting Congestion' package will help ease congestion, improve road safety and improve general connectivity across Perth and Western Australia. The significant agreement will provide a major boost to our economy, with 6,000 jobs expected to be created as a result of the 17 new projects, not including METRONET.

Our flagship METRONET vision will transform Perth's public transport network. We will spend $1.3 billion over the period 2017–18 to 2020–21 for METRONET Stage 1 projects. This includes $1.2 billion reallocated from the cancelled Perth Freight Link project and $104.8 million from value capture and land sales.

We have allocated funding in this Budget for the construction of the Thornlie–Cockburn Link and the Yanchep Rail Extension, the removal of the Denny Avenue level crossing and the procurement of an additional 102 railcars. This Budget also provides planning funding for rail lines to Ellenbrook and Byford, new and existing station upgrades, improved signalling and further level crossing removals.

The $2.3 billion package also includes significant new road projects, which will not only help reduce congestion but will also stimulate local jobs. This Budget also includes a number of significant road projects in regional WA, some of which were highlighted earlier.

To enhance cultural and sporting activities across the State, we are pleased to announce that construction of Perth Stadium, which had a peak workforce of over 1,300, is on schedule. And the Swan River Pedestrian Bridge, which is now being manufactured locally, is on track to open in early 2018.

CONCLUSION

In conclusion, Madam President, the 2017–18 Budget:

- focuses on getting Western Australia back on track by boosting local jobs and delivering our election commitments;
- outlines our Budget repair plan to return the general government sector to surplus within the forward estimates and limit growth in net debt; and
- starts the process of reforming the public sector and the delivery of services to the community.

Madam President, there has been significant commentary over recent years about the state of Western Australia's finances and the reasons we find ourselves in such a poor position relative to just eight years ago. We accept that constrained revenue growth and low GST grants over the second term of the former Government played their part—but that is not the whole explanation, not even close. Those sitting opposite need to take responsibility for the state of the finances and help us respond to the structural imbalance they created during their first term in office.

The remedies needed to restore the State's balance sheet to health will require a concerted effort by the entire community, including this Parliament, to ensure we do not pass our current financial burden on to future generations of Western Australians. In that context, I appeal to members on the other side to support the effort to fix our books. I urge members of the Opposition and the crossbench not to be Budget wreckers, but acknowledge the impact of their time in Government and assume a shared responsibility in resolving the challenges which confront us.

This is a Budget that will help Western Australia return to a path of sustainable finances and a growing economy.

It is a Budget that puts us on the road to recovery.

Madam President, I commend this Budget to the Council.

Debate adjourned, on motion by **Hon Ken Baston**.

FIRST HOME OWNER GRANT AMENDMENT BILL 2017

Committee

Resumed from an earlier stage of the sitting. The Chair of Committees (Hon Simon O'Brien) in the chair; Hon Stephen Dawson (Minister for Environment) in charge of the bill.

Clause 1: Short title —

Progress was reported after the clause had been partly considered.

Hon STEPHEN DAWSON: Before we adjourned for lunch, a question was asked about how many court actions have been taken to recover first home owner grants. Precise details are not available, but over the past five years, 878 first home owner grant recovery actions were finalised. It is estimated that the debt for 90 per of these was secured by memorial, and 50 per cent proceeded to court recovery actions. I will place on the record the figures I have. In 2012–13, the number of cases closed was 225, the number secured by memorial was 202, and court recovery action was taken in 112 cases. In 2013–14, 170 cases were closed, 153 of those were secured by memorial, and court recovery action was taken in 85 cases. In 2014–15, 191 cases were closed, 172 were secured by memorial, and court recovery action was taken in 95 cases. In 2015–16, 165 cases were closed, 149 were secured by memorial, and 82 involved court recovery action. In 2016–17, 127 cases were closed, 114 of which were covered by memorial, and court recovery action was taken in 63 cases.

Hon NICK GOIRAN: Those statistics are very helpful, and I place on record my thanks to the minister and his advisers for providing them. The minister has just indicated to the house that in the last financial year, as the most recent example, 63 matters went to court, when the commissioner felt that, as a last resort—I think that was the phrase the minister used before the luncheon interval—he needed to recover the money by court action. That has happened on 63 occasions in the past financial year. We have not yet passed this bill, but in the last financial year, the commissioner, on no less than 63 occasions, was able to recover funds owed to the state without the need for clauses 15 and 16. He has been able to go to court and recover the funds. This brings us back to the beginning again. Why, therefore, do we need to have clauses 15 and 16 when the commissioner has been quite capable in the last financial year of going to court on 63 occasions, on 82 occasions in the previous year, on 95 occasions the year before that, and on 85 occasions in 2013–14? In 2012–13 there were obviously a lot of bad debtors, because the commissioner went to court on 112 occasions.

Hon STEPHEN DAWSON: We do not know whether those court cases were actually successful. Recovery action was taken in those cases, as the member quite rightly pointed out, but we are not in a position to advise whether they were successful.

Mr Chair, I seek your guidance. Although we are considering clause 1, the debate we are having at the moment relates to clauses 15 and 16. With your guidance, Mr Chair, I seek to leave debate about clauses 15 and 16 to when those clauses come under consideration. I am happy to take other questions about clause 1 now, but I seek to progress through the bill. I am aware that other members of the chamber have questions about other clauses, and I am very keen to answer those questions at the clauses that they pertain to.

Hon NICK GOIRAN: In response to the remarks made by the minister, it is very important that we continue to get to the bottom of this matter now, and not at clauses 15 and 16, because it is my view at the present time that the government has not yet satisfied the chamber about why it needs the special powers it is asking for in

clauses 15 and 16. If the government concedes that point in due course, there may be consequential effects on other clauses in the bill. That is why we need to get to the bottom of this now rather than waiting until clauses 15 and 16, and then finding out that there are other problems, whether or not the government concedes the point or I move that the clauses be deleted. Unless I am directed otherwise, I propose to continue my questions to the minister. The minister indicated in his last response that we do not know whether the various court actions were successful.

Is there no advice available on the success rate of the commissioner? My purely intuitive reaction is that the commissioner would have a very strong case. He has statutory powers and there is legislation in place. As the minister said, if a person does not comply with the residential requirements and citizenship, there might be some contest on the facts, but I would think that more often than not the commissioner would have very strong cases. It seems to me intuitively unlikely that the commissioner would be struggling in court actions. Is there any advice at all about the success rate of the commissioner?

The CHAIR: Before I give the call to any other member, the minister has asked me to make some comments. I have also noted the comments of Hon Nick Goiran and I will respond to those in just a moment. The practice of the Legislative Council, which has been the practice for over 20 years and probably a lot longer, was set out in a ruling of the then Chair of Committees, Hon Barry House, on 16 October 1996. I will read only part of that ruling, which I think is germane to the question before us. It states —

> The short title debate does no more than give members the opportunity to range over the clauses of the Bill, foreshadow amendments and indicate, consistent with the policy of the Bill, how its formal content may be improved. It is not a vehicle for continuing debate on policy; rather, if members do not wish the Bill to proceed, the action they should follow is to vote to defeat clause 1 of the Bill as it stands.

I think the general understanding of that point is shared amongst the members of the house. In relation to the specific bill before us, I have been in the chair for a short time in the course of the debate on clause 1, which admittedly has been fairly protracted perhaps in some people's view. A great deal of the debate continues to be focused on questions arising from clauses 15 and 16. The minister raises a legitimate question about whether perhaps this part of the debate might be reserved for our consideration of clauses 15 and 16, when we get to them in due course. Hon Nick Goiran, who has been drilling down quite deeply into the effects of these clauses, has indicated that, in his view, the impacts of the chamber either supporting or rejecting those two clauses is such that it may affect the construct of the entire bill. In my observation, if that is the case, the question of clause 1 being agreed to is not a foregone conclusion. If the committee decides to defeat clause 1, the whole bill is disposed of and, therefore, from what I have observed of the debate, the line of questioning being followed by Hon Nick Goiran at this time may well impact on the question that clause 1 be agreed to. I say to all members that consideration of clause 1 has indeed been protracted and I ask them all to contemplate that for this, or any other bill, there is a time when we have to cease our examination by overview of the clauses and any amendments in the context of clause 1 and leave that until we get to the specific clauses later in the process. For now, minister, I am going to allow this to continue in the context of a clause 1 debate for the reasons that I have given, although I remind members that there is a need to make progress.

Hon STEPHEN DAWSON: I thank you for your guidance, Mr Chair. We have not received a further breakdown, unfortunately, of those figures. By way of trying to answer, I will provide the following advice. Under the first home owner grant, the commissioner cannot require an applicant to pay these legal costs in the absence of a court order. The legal costs can only be recovered in the court proceedings in the event that the court makes a costs order in the commissioner's favour. When the matter does not proceed to court because the applicant pays the outstanding debt or enters into an instalment arrangement after a general procedure claim is issued, the legal cost of issuing the claim is not recoverable and is a cost to the state and the taxpayers.

Hon NICK GOIRAN: I have a number of questions arising out of what the minister just said. In light of what was said earlier, it might assist if the minister could advise the chamber whether he has obtained any advice about whether the deletion of clauses 15 or 16 from the bill will have any consequence or impact on any other clause?

Hon STEPHEN DAWSON: We have not had any advice on that, but I am advised that the provisions are totally unrelated to any other part of the bill.

Hon NICK GOIRAN: For clarity, minister, if the house decided to delete clauses 15 or 16, would it have no impact on the rest of the bill?

Hon STEPHEN DAWSON: My advisers tell me that it should not.

Hon NICK GOIRAN: In that case, I indicate to the minister that I will rely on that advice in his statement to the house. I reserve the rest of my questions for the debate on clauses 15 and 16, but I put on notice that if we find that there is a problem later, the minister can expect me to create quite an issue about it. However, I am quite happy to leave it for the time being.

Clause put and passed.

Clauses 2 to 8 put and passed.

Clause 9: Section 14B amended —

Hon Dr STEVE THOMAS: I move —

> Page 4, line 6 — To delete "30 June 2017" and substitute —
>
> 31 December 2017

We were saying a little earlier that we are working in a great degree of harmony in the chamber today.

Hon Stephen Dawson: Bipartisanship.

Hon Dr STEVE THOMAS: We are working in bipartisanship, so we are going to test that bipartisanship a little by attempting to thwart the intent of the government in its bill before the house. It is important that we test the will of the house to see whether members want to hold the government to account for its comments, because that is where we have left this debate today. I remind honourable members again of the comments by the Treasurer, who has now brought down his first budget, in December last year in PerthNow —

> "We'll support that announcement and don't have any intention of removing that in the event that we win government in March."

He was referring to the announcement about the $5 000 first home buyer boost. It is my intention to test the will of the house to see whether members want to hold the Treasurer to account for those comments.

During the second reading debate, Hon Martin Pritchard said that the government has looked at the situation before the election and after the election and has had to cut its cloth accordingly, so to speak. I take those comments on board. I suggest that a number of the projects that have been announced in the budget could be cut to cover the $20 million cost of keeping the promise to maintain the boost for the full calendar year. I will be having a conversation with the minister next week about whether some of those projects are just pork-barrelling in electorates in which the government has won seats. That is a shocking suggestion, is it not, minister! This is a good opportunity for this house to ask the government to remove some of the largesse that it has placed in those electorates. The government can cut its cloth in a number of different ways. One way in which it can cut its cloth is by keeping the promise that it made before the election. That would reflect well upon the government. It would also reflect well upon the Treasurer.

It has been put that governments sometimes need to change their agenda after an election. I understand that circumstances change. However, the precedent that is being set by the government in not keeping this election commitment is a bit more important than that. The argument has been put that the decision has been made and it will be too difficult to force the government to keep its commitment. I go back to the old days of *Yes, Minister*. This is an example of holding the government to account. The argument against it is along the lines of, if we make the government do the right thing this time, we might make the government do the right thing next time as well, and that starts a very dangerous trend. I think that is actually not a bad idea. I look forward to that. I do not think the government has justified, based on the set of budget papers it has just dropped on everybody's desk, that it cannot afford the $20 million required to fulfil this promise. Many of the election commitments within these budget papers could be shifted quite readily to enable the government to be honest about what it said to the Western Australian community in the lead-up to the election.

As I said during the second reading debate, I understand that government members have been presented with a budget, as we have, and they probably do not have a lot of choice. However, every other member in the chamber has a choice about whether to hold the government to account for the position that it took to the election. That is the critical point. People say that politicians do not tell the truth. People expect politicians to lie. We in this house are facing an acid test to find out whether that is true. I think that will be very interesting. I understand the position of the government and the position of ministers. During the second reading debate, we asked the government nicely to shift its position. I suspect that will not happen. The question now is whether everybody else in the house thinks it is reasonable for a government to say one thing before an election and do something else after an election. If that is the precedent we want to set, the question now is whether the Legislative Council of Western Australia will rubberstamp that. I intend to come back to that point numerous times over the next several years, because it is critical. I would like to think that the Legislative Council is a genuine house of review and will hold the government to account for the words that it says in the lead-up to an election.

Hon PETER COLLIER: I will try to kill two birds with one stone and make a few comments. Hon Dr Steve Thomas has effectively articulated the views of the opposition with regard to this amendment. We believe that this amendment is eminently sensible. The government has shown that it is willing to change its mind on policy, as we saw a few hours ago with Utah Point. In the same spirit of bipartisanship, we ask the government to consider this amendment. This amendment is very important, because it will create jobs. The government went to the election on a policy of creating jobs, and yesterday in the Legislative Assembly, the Premier and Minister for State Development, Jobs and Trade introduced a bill for the creation of jobs. This amendment will create jobs.

The Minister for Environment said in both his second reading speech on the bill and his ministerial statement that this is bad policy. I beg to differ, and so does the Treasurer. The Treasurer supported this policy. He saw it for what it was—creating jobs, and providing economic stimulus. Every industry group involved in the housing sector supported this policy. The minister, to his credit, tried to find some semblance of support in the sector for the government's position, and he found that in a comment by Dale Alcock. I know Dale very well. Yes, he did acknowledge that this state is facing significant pressure at the moment. However, I am sure he does support the first home buyer boost.

The government has used as its excuse for not continuing with the first home buyer boost the fact that it wants to redirect this money to other priorities. The Treasurer has said that this is being done to assist with budget repair. I asked that question of the minister and he could not answer it. I suggested that some of this money might go towards the $200 million that will be put into the education budget above and beyond the growth in indexation. That is not assisting with budget repair. It would assist if this money was going into the consolidated account. However, that is not the case. Therefore, that argument is flawed.

The comment that the policy was not working is without foundation. I accept the minister's comments about the figures that were provided in the second reading speech. Those are not the figures I am talking about. The figures I am talking about are the figures that we got from the other place about the uptake of applications post the debate in the other place. In fact, last month, there was a spike in applications for the grant. I will add to that by drawing the attention of members to an article in today's online *The Courier Mail* titled "They're back! Big increase in first home buyers in June quarter." The article refers to the latest report from the Real Estate Institute of Australia and Adelaide Bank. The article states in part—I am not being selective; I could read the whole article but we would be here until after question time —

> Queensland welcomed more first-home buyers into the market than any time in the past year, with the number of loans increasing by nearly 12 per cent in the June quarter and almost 20 per cent compared to the same time last year.
>
> The average loan size for first home buyers in the state increased 1.5 per cent during the quarter to $296,033.
>
> Real Estate of Queensland spokesperson Felicity Moore said that confirmed the Queensland market's viability and good value proposition.
>
> "It's also a reflection of the impact of the Government's first-home buyer grant boost of an additional $5000 to a total of $20,000," she said.
>
> "Young Queenslanders have seized upon the opportunity to jump on the property ladder and take their first steps to personal wealth creation."

That is a perfect example in another jurisdiction that the first home buyer boost is working. As I have said, the figures that I presented during the second reading debate show that the first home buyer boost is also working in this state.

The article states also —

> Queensland, Western Australia, the Australian Capital Territory and the Northern Territory all experienced an increase in first home buyers during the June quarter, with the territories recording growth of 49.6 per cent and 40 per cent respectively.

WA has seen an increase in the uptake. I am not being precious here. I am saying that it is working. The crux of my argument is that the government stopped the program before it had the opportunity to see its real worth. The government stopped the program in May when evidently the applications were going to flow through as the year wore on. What about those young new home owners who decided that as a result of this policy, they would work towards establishing capital savings over the first six or seven months of the year and then make an application in August? They have had the rug pulled out from under them. They will now reconsider because the boost is no longer available to them. To blindly say that it is not working based on some figures that, quite frankly, do not add up, is flawed logic.

I presented figures in the second reading debate and I will not go through the whole lot again. Suffice to say, when the minister talked about 4 500 applications, it was not 4 500; it was 4 660. That does not include applications that would have come on board had this policy been allowed to extend to its maturity—that is, the 12 months. I just gave evidence of it. This article was a little pearler today; I could not believe this. We have seen what happened in Queensland when it gave first home owners an additional $5 000. It works; it stimulates the market. The government decided to stop the policy without any consultation with industry groups, the Housing Industry Association, the Master Builders Association or any of the major building groups in the state.

We are talking about not only the growth of homes. As I said, we are talking about literally thousands of workers, because if we are talking about 60 tradies per house, as I have said, or four full-time tradies, that is employment.

If we are willing to give $40 million or $50 million for 300 education assistants, surely the government is willing to give $22 million for a couple of thousand tradies. How are they less significant than the EAs? The stimulus it provides to the economy cannot be put in words. The housing market is the engine room of the nation and the economy. The housing market saw a stimulus opportunity and, as I said, the rug has been pulled from under it. I am disappointed that the government has gone down this path for what is effectively, quite frankly, a rounding error as far as the big picture is concerned. We are talking about debt levels of the government, which are not flash. As I have said before, welcome to government, guys. But this initiative really does work. This is not a philosophical thing; we are talking about something that works. The Labor government's own Treasurer supported it. All I am saying to members opposite and to members on the crossbench is: please, for the sake of the housing industry and those tradies, have some commonsense and say that we support the housing industry and the stimulus package that was provided. Minimalist as it might be, it is working; it will continue to work and it will continue to ensure that thousands of workers and tradies will be employed in Western Australia.

Hon AARON STONEHOUSE: I agree with the sentiment of keeping the Labor Party honest; this resonates with me. However, the use of a grant is rather misguided in the first place. Pulling levers and turning dials to try to jump-start the property market is the sort of approach we usually see from the left side of politics, which often considers individuals as pieces on a chessboard to move around. My view is that the economy is organic. It is made up of individuals pursuing their own interests, each with their own hopes and dreams and desires with their individual financial decisions being made up of hundreds, if not thousands, of factors. I agree that to dangle a grant in front of first home buyers only to take that away again and to pull the rug from under them, is cruel. As I laid out in my second reading debate contribution, the government could be doing much more to stimulate the property market, such as reducing red tape, regulations and taxes. Extending the $5 000 boost for a few months will not really have a lasting impact on the housing market.

We may see some people who are already saving for a deposit make their home purchases within that time, but we are really only bringing forward economic activity that would have happened in maybe six or 12 months anyway. We are not really creating new activity, but only moving it forward slightly. This is the same kind of approach again of pulling levers and turning dials that we see from the left; the right side of politics objected to that approach when we had a stimulus back in 2008 and 2009, using very much the same arguments that I am using now. To try to control or micromanage the economy is the kind of activity that really only creates the bubbles and exacerbates the bust, which, as an economically literate man, Hon Dr Steve Thomas understands. Therefore, for that reason, I cannot support this amendment.

Hon Dr STEVE THOMAS: I want to make a couple of quick responses. I appreciate the honesty of the answer of Hon Aaron Stonehouse, but the simple reality is that even based on the government's own figures, Treasury expected 650 people to be involved in changing the outcome. Let us not take the full 650 and look instead at the 380 people who, based on the Treasurer's own figures and the expectation of Treasury, changed their behaviour to invest in and develop construction. As I said, we do not have anyone here who needs to take their shoes and socks off to do this calculation. Those 380 people buying $100 000 houses creates $38 million worth of added activity; for $200 000 houses, that is $76 million worth. Just those 380 people, as reflected in the government figures, would create $100 million of activity from a $20 million investment. There is some response to this. I am not necessarily going to argue whether it is the best response. I would love us to have a much deeper debate about the global financial crisis and the economic stimulus that was put in place and the realities of quantitative easing, which I also had some issues with, but that is a debate for another day.

The government's $20 million investment has a demonstrable effect in the order of at least $100 million, based on the most minimalist of proposals from Treasury. I do not disagree that the long-term effect may not be there, but the short-term effect of the stimulus would deliver a relative result. We need to keep that in mind when we say that we are going to pull the rug out, which is exactly what has happened. I agree with Hon Aaron Stonehouse that other economic tools can be used to stimulate the housing sector and I agree on the issues of speeding up approval processes, reducing red tape and putting time frames in place, but the reality is that this stimulus package has to have had some effect, because if it had not, taking it away would not do a lot in the way of savings. But Treasury said it had an effect.

At some point I am happy to debate whether we think the $100 million of economic stimulation from a $20 million investment is meaningless. But right now, the effect is going to be taken away. A large number of people have made their economic plans based on this boost being available. It suddenly not being available has an impact. Even if it is only 650 people in total, that is still a significant number of people who have been impacted upon. The government could still provide this boost within its budget constraints by simply prioritising this over some of the other things that it has prioritised today. I simply point out in response that there is an effect. We can debate about whether a $100 million response is worth a $20 million investment. There is an effect; it has an impact on people, and that is why I think it is important that this house holds the government to account on its commitments.

Hon STEPHEN DAWSON: I want to indicate that the government does not support the proposed amendment. I am sure that is not a surprise to the previous speaker. I remind members of the speech I gave less than 45 minutes

ago about how the economy has changed in Western Australia over the last little while, particularly how things have changed since the *2016–17 Pre-election Financial Projections Statement* issued earlier in the year. General government revenue estimates have been revised down by a massive $5 billion since then. I remind members that $1.8 million resulted from lower iron ore prices and a higher US–Australian exchange rate. That is $1.8 billion that we all thought we had in February this year that we do not have anymore.

Since that time we have also been advised by the Feds we have lower goods and services tax grants. That is down $1.7 billion since earlier in the year. There is weaker taxation, so that is down $777 million. That relates to the lower collection of tax from land tax, payroll tax and insurance duty, and we have also had a lower amount from the commonwealth from tied grants; that was about $572 million. We have had to find that $5 billion since earlier this year. Members are talking about a drop in the ocean—it is $5 billion. I have just delivered the budget speech. This government has made its decision and laid out its plan for the next few years. We have been given advice that this boost has not been worth it, so a decision has been made.

People talked about jobs. I earlier reminded members—also, in fact, two days ago—that we are focused on creating jobs in Western Australia. We will deliver Metronet. Members heard in the budget speech that we are starting to do it. We have a deal with the federal government. Money that was to be spent on the ill-fated Perth Freight Link will now go to Metronet. That will create jobs and more liveable and sustainable communities in Western Australia. In today's budget we announced new construction projects around the state. Again, they will deliver jobs for Western Australia. As I laid out on Tuesday, we have also removed occupations from the Western Australian skilled migration occupation list. People were coming to this state from around the world to do jobs that should have been done by Western Australians. We have changed that. We have also removed Perth from the regional sponsored migration scheme. That, too, will mean more jobs will be created in the metropolitan area. We are focused on jobs. We are doing that. I remind the house that we do not support this amendment and will not be voting for it.

Hon Dr STEVE THOMAS: As a final comment, there is a great movie that members might have seen that I am reminded of by the speech from the minister. It is called *Dave*. It is a very simple movie —

Hon Stephen Dawson: Are you calling me a simple person? Is that what you are saying?

Hon Dr STEVE THOMAS: No! I said it is a simple movie. The President of the United States has a stroke and is replaced by a very sensible fellow —

Hon Stephen Dawson: I've seen it.

Hon Dr STEVE THOMAS: It is not a bad movie. Anyway, he says, "The budget's in a mess", and he invites his accountant friend in to see whether he can just make a few savings to save the First Lady's program.

Minister, we have had a great day of cooperation between both sides of the house. It has been very cordial. In the interests of trying to find the government the savings it could redirect towards this program, it has three renewable energy programs and it does not know how much energy they will generate or what they will cost. They will have zero impact for the fossil fuel generation process. Here is a thought: the government could defer some of that for the first year and fulfil the commitment for the next six months. Like in *Dave*, we could find the minister a few savings and he might be able to push this through. I think that was just worth throwing into the debate.

Hon PETER COLLIER: The minister stimulated me to respond to his response, and I was not going to. I appreciate the minister's impassioned plea on the state of the budget. I have said that the government knew that before it came to government.

Hon Stephen Dawson: We didn't know about the $5 billion. We did not.

Hon PETER COLLIER: This is what we had to deal with every single year.

Hon Stephen Dawson: You did not —

Hon PETER COLLIER: We did. Every single time we tried to have any restraint or cutbacks of any calibre in any area, we were criticised by you guys.

Hon Stephen Dawson: No, no.

Hon PETER COLLIER: Lets us not rewrite history. If the minister wants to have a look at this $20 million, I could drive a Mack truck through it. I would get the government $20 million like that without any problems at all. They are called election promises. The government should look at the election promises and ask whether they are really worth it or are a couple of thousand workers in the trades industry worth it. Is the government saying—excuse me, I have this shrill noise from over —

Several members interjected.

The CHAIR: Order! The Leader of the House and Leader of the Opposition can argue the budget next sitting week. We are considering the motion that the words proposed to be deleted be deleted, so let us get back to that.

Hon PETER COLLIER: I am sorry, but I just could not allow my good friend Hon Stephen Dawson to get away with that little one.

I am very disappointed that the government will not support these trades workers and the housing industry, but having said that, I stand by the fact that I think the policy was working. I do not think you guys gave it nearly enough time for it to work to its maturity. From what we have seen in Queensland and from the latest figures that have come in here, it was actually working. Having said that, I do not need a calculator but I am just sorry that we will not see this amendment get up.

Division

Amendment put and a division taken, the Chair (Hon Simon O'Brien) casting his vote with the ayes, with the following result —

Ayes (12)

Hon Martin Aldridge	Hon Peter Collier	Hon Colin Holt	Hon Tjorn Sibma
Hon Jacqui Boydell	Hon Donna Faragher	Hon Michael Mischin	Hon Dr Steve Thomas
Hon Jim Chown	Hon Nick Goiran	Hon Simon O'Brien	Hon Ken Baston *(Teller)*

Noes (21)

Hon Robin Chapple	Hon Laurie Graham	Hon Charles Smith	Hon Alison Xamon
Hon Tim Clifford	Hon Alannah MacTiernan	Hon Aaron Stonehouse	Hon Pierre Yang
Hon Alanna Clohesy	Hon Rick Mazza	Hon Matthew Swinbourn	Hon Martin Pritchard *(Teller)*
Hon Stephen Dawson	Hon Kyle McGinn	Hon Dr Sally Talbot	
Hon Sue Ellery	Hon Samantha Rowe	Hon Colin Tincknell	
Hon Diane Evers	Hon Robin Scott	Hon Darren West	

Pair

Hon Colin de Grussa	Hon Adele Farina

Amendment thus negatived.

Hon RICK MAZZA: In clause 9, I refer to proposed section 14B(4C)(a), which states —

> a contract for the purchase of a new home or a substantially renovated home;

Can the minister explain to me what a substantially renovated home is or the definition of it? The definition in the act indicates that it is a residential home that has not been lived in previously. I am a little unsure how a renovated home could not have been lived in previously. Can the minister tell me what circumstances this definition would apply to?

Hon STEPHEN DAWSON: Thank you, member, for the question. The First Home Owner Grant Act 2000 contains the definition of a substantially renovated home, which reads —

> ***substantially renovated home*** means a renovated home that is the subject of a contract for purchase where —
>
> (a) the sale of the home under that contract is, under the *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth), a taxable supply as a sale of new residential premises within the meaning of section 40–75(1)(b) of that Act; and
>
> (b) the home, as so renovated, has not been previously occupied or sold as a place of residence.

We will see what else we can find if the member needs that to be padded out further.

Hon RICK MAZZA: I quite understand what that section means, but if it has been substantially renovated, how can it not have been previously lived in? In what circumstances would this apply?

Hon STEPHEN DAWSON: I am advised that it refers to a home that has been substantially renovated and has not been lived in since the renovation has taken place.

Hon RICK MAZZA: What is the definition of "substantially renovated"?

Hon STEPHEN DAWSON: I need to refer to the federal act; however, my advisors tell me that the Commissioner of State Revenue has some information available, so we will gladly get that and provide it to the member at a later stage. We do not have it in front of us now.

Clause put and passed.

Clauses 10 to 13 put and passed.

Clause 14: Section 52 amended —

Hon NICK GOIRAN: Can the minister look at clause 14, and would he agree with me that if the chamber deletes clause 15 or 16, it will have a consequential impact on clause 14?

Hon STEPHEN DAWSON: I am advised that it would impact on that, which is different from the advice that I gave the chamber earlier, and I sincerely apologise for that.

Hon NICK GOIRAN: I think this identifies the problem. I was very reluctant to move from clause 1 at the beginning because I feared that this might be the case. As members, like the minister, we have plenty of work on our plates and at some point we have to rely on the advice we are given. I appreciate that the minister is relying on the advice that he is given. I rely on the advice that he gives the chamber and trust it to be complete and correct so that we can proceed with goodwill. Thanks to the contribution of my colleague Hon Dr Steve Thomas, I had enough time to quickly look at the rest of the First Home Owner Grant Act 2000 and, lo and behold, I found that clause 14 would be impacted. I guess the lesson here is that if the answer to the chamber has to be, "I don't know", that is okay, because then we would have stayed on clause 1. It is probably also a lesson for me for the future. Be that as it may, I will ask a series of questions on clauses 14, 15 and 16 grouped together, so the minister might understand why I might not move speedily to clause 15 in these circumstances. We left this matter earlier to consider what success the commissioner has had in pursuing these matters in court. We were advised in earlier proceedings that a debt recovery process with four stages is implemented by the commissioner. The first stage is that a debt is due; the second stage is that a negotiation takes place; and the third stage is a securing of the debt by a memorial. From what we have been told, including in the minister's opening statement earlier today, no legal costs are associated with those three phases.

We are focusing here on just the fourth stage of the recovery process. As has been indicated to the chamber previously, the fourth stage is that, as a last resort, the commissioner instigates court recovery action. If someone says that it is a last resort, we might think that this happens rarely but, as we now know, in the last financial year alone there were 63 of them; in the previous financial year, 82; and in the previous financial year, 95. In 2013–14, there were 85; and in 2012–13, 112. I have already asked the minister this question and he indicated to the chamber that we do not know the answer. We do not know what the success rate is but we do know that the commissioner has, shall we say, extensive experience in going to court to recover these grants and moneys owed to the government. It is not as though it has happened once or twice. As I said, in the last financial year alone, it has happened 63 times. It is very unhelpful at this point to progress the matter if we are not able to identify the success rate of the Commissioner of State Revenue. The reason is this, minister: let us imagine for a moment that the commissioner has had a poor success rate; that is a possibility. We were told that the commissioner went to court 63 times in the last financial year. Let us imagine that he has had a poor success rate, however we want to define poor; let us leave that at a subjective level. The commissioner has gone to court with 63 cases and he has had a poor outcome. If we proceed with this amendment, we are authorising the commissioner to lay on top of the bill of the debt due by the applicant the legal costs for a failed legal action. Consequently, it is very important for us to know whether the commissioner generally has good success when he goes to court. It is not the intention of members in this place to say, "Commissioner, you do an appalling job in court. You should outsource the work to a lawyer"—which, incidentally, we identified earlier that the government does not even employ external lawyers—"and then we are going to add it to the bill and debt due and secure it as a memorial." We need to have clarity around the competence of these court actions taken by the commissioner. Are we going to be in any position today to get some indication of the success rate of these court actions before we authorise the commissioner to lob on court or legal costs for failed actions?

Hon STEPHEN DAWSON: I thank the member for his comment and his questions. We are authorising what he suggested. My adviser has told me that if the court action fails, we are unable to recover those legal costs because the applicant is entitled to the grant.

Hon NICK GOIRAN: In that case, why do we need this clause? Let us run with the scenario that the minister has just given us: the commissioner goes to the court, he fails and he is not entitled to cost recovery. Why is he not entitled? The minister has told the house that it is because the applicant is entitled to the grant. If the commissioner is successful in his court action, it then follows that he will be granted his costs. If he wins, he gets his costs, but if he loses, he is not entitled to his costs—so why do we need clauses 15 and 16?

Hon STEPHEN DAWSON: Can I draw the member's attention back to the comment I made sometime over the last couple of days when I mentioned that under the First Home Owner Grant Act 2000, the commissioner cannot require an applicant to pay these legal costs in the absence of a court order. The legal costs can be recovered in the court proceedings only in the event that the court makes a costs order in the commissioner's favour. Where the matter does not proceed to court because the applicant pays the outstanding debt or enters into an instalment arrangement after a general procedure claim is issued, the legal cost of issuing the claim is not recoverable and is a cost to the state and to taxpayers.

Hon NICK GOIRAN: It sounds like we are really narrowing down the circumstances in which this provision is needed. If I hear what the minister has just indicated, the only circumstance under which the commissioner actually

wants this new power is when the commissioner says to the applicant, "You owe this amount of money and I am going to issue you with a claim", and the person pays after the claim has been issued. The minister has indicated to the house, on advice from his advisers, that we cannot then recover the legal costs associated with this matter. The minister has received incorrect advice because it is well known that when a claim is issued in the Magistrates Court, the defendant, which will be the applicant, can sign what is called a confession of debt. Admittedly, I have been out of practice for 10 years, so the terminology for a "confession of debt" might not be the same, but it will be the equivalent of that. When a person does that, they are obliged to pay the costs listed on the claim. There are effectively three scenarios here. Firstly, the commissioner issues a claim and the person confesses the debt and has to pay the costs. There is no argument about that; they have to pay it as a matter of law. Secondly, they dispute the claim and they lose, and the commissioner is awarded costs. Thirdly, they dispute the claim and they win, in which case the commissioner is not entitled to costs because the person is entitled to the grant, and we still come back to the fact that clauses 15 and 16 are not required.

Hon STEPHEN DAWSON: I thank the member for the questions. My advisers tell me that we have advice from the State Solicitor's Office that confirms that the commissioner does not currently have the power under the First Home Owner Grant Act to recover the legal costs of issuing a general procedure claim in these circumstances.

Hon NICK GOIRAN: Will the minister table the advice?

Hon STEPHEN DAWSON: It is not common practice for ministers to table State Solicitor's advice in Parliament. It was not done under the previous government and it will not be done under this government. The advice from the State Solicitor is always given to ministers and agencies to help them work through policy issues, but it is never tabled in Parliament.

Hon NICK GOIRAN: I now have to—we have already been through this exercise a couple of times so far today—rely on the hearsay of the minister communicating to me what he thinks is the advice that he has been given. Earlier, I asked whether there would be any consequential effects if we deleted clauses 15 and 16. The answer was no. As it happens, the answer is now yes. I relied on the advice, which was wrong, and thankfully nothing has been lost. Now I am being asked to rely on advice that the minister tells me he has from the State Solicitor. He says he has the advice, and no doubt he has that on a piece of paper in front of him. However, could it be that the minister is wrongly interpreting the advice that he has read? I do not know because I do not have the benefit of reading that advice. It remains the case that the minister has not explained to the house a scenario in which this provision will be needed. We have already agreed that there are three different scenarios of going to court, and the minister indicated to the house that if the commissioner's claim is unsuccessful, he is not entitled to costs, yet this provision will still entitle the commissioner to issue a notice asking for legal costs. If the commissioner is successful, he will be able to recover his costs. It would help the house if the minister were able to advise of a case in which the commissioner has been involved and he or she wanted to recover costs and was unable to do so.

Hon STEPHEN DAWSON: The answer is, yes, there has been a case, and Parliament got advice on a matter related to such an issue. Can I again apologise in relation to clause 14; that was the advice I received from my advisers. I have written advice in front of me that indicates that the State Solicitor has provided advice and confirms that the commissioner does not currently have the power under the First Home Owner Grant Act to recover the legal costs of issuing a general procedure claim in these circumstances. I have written advice in front of me that states that it cannot happen. I am very apologetic about clauses 14, 15 and 16 and how they are interrelated; however, I am not sure we are going to get to a happy landing this afternoon. I am not really sure what the member wants. The indication from the government is that we need clauses 15 and 16. They are integral to the bill and we intend to keep them in there. I am happy for the member or any other member of this place to move an amendment to withdraw them. Equally, I am happy to hear whether there is anything else I can assist the member with on this bill.

Hon NICK GOIRAN: I note that on another matter I cannot detail—I have to be a little secretive, as the minister has been just recently—because it may not yet have reached this place, the Attorney General released the State Solicitor to verbally brief the opposition on those matters. Might it be an opportunity for this matter that if the government, understandably—do not get me wrong, I would do the same—does not want to release the written advice, it is at least willing to organise for the State Solicitor to brief the opposition on this matter, which has not been satisfied at this stage?

Hon SUE ELLERY: I might respond, on behalf of the government—I am sure that my colleague was about to provide an answer as well—that I do not think it is reasonable to ask the representative minister that question. He can give an undertaking that he can seek an answer from the Attorney General, but I do not know that it is reasonable to ask the representative minister to make a decision about whether State Solicitors would be released to provide the opposition with advice that has been provided to the government. I do not know the circumstances to which the member alludes, but I do not think it is reasonable to ask the representative minister to do that. He can give the member an undertaking that he can seek to do that at a later date, but he is not in a position to give that undertaking.

Hon STEPHEN DAWSON: I thank the Leader of the Government in this place for her comment on this issue. As I said, I am not at liberty to provide advice for the member today. I am happy to give him an undertaking that

I will ask the responsible minister and the Attorney General whether they have any issues with releasing the advice to the member or can provide a briefing to him at a later stage about the State Solicitor's advice that was given on this bill.

Hon NICK GOIRAN: Can we defer consideration of clauses 14, 15 and 16 until that is done?

Hon STEPHEN DAWSON: No; unfortunately, we cannot. I am happy to ask for that information and get it to the member. The advice I have been given is that, as I have said already, we are not willing to delay the passage of clauses 14, 15 and 16.

Hon NICK GOIRAN: The house is being told that the government has secret advice about this matter. No sense has been made so far, but we cannot see the advice. The government is not prepared to defer consideration of the clause. It might, in the fullness of time, come back to us and let us know whether we can talk to the State Solicitor and or see his advice. This is the only time that the house gets to consider this matter. We will not get the opportunity to consider this matter next week if this bill passes today and suddenly I look at the advice and say to the minister, "Guess what? What you read was not what you thought you read, it was something different." We do not get to come back and deal with this matter. This is the only opportunity, but the government has indicated it does not want to delay the passage of clauses 14, 15 and 16. It has been unable to explain to the house why it is necessary, other than to refer to some secret advice. The minister says that he has advice on a case in which the government was unable to recover costs. What were the circumstances of that case?

Hon STEPHEN DAWSON: With great respect to the member, I believe we have provided information to the house that points to the clauses being needed. We can go back and forward. I believe we have supplied the information. Its common practice, and has been for a very long time in this state, not to provide State Solicitor's advice. I have indicated to the house that that is the case. I have not got further information about that case so I cannot provide it to the member today. I have given an undertaking that I will raise the issue with the Attorney General and the responsible minister about the advice, but that is all I can do today. I cannot give him any more information about the case or the circumstances and I am not sure we are going to get anywhere. We really need to start focusing of the clause in front of us.

Hon NICK GOIRAN: We are focusing very clearly on clause 14, which will make no sense if clause 15 is deleted from the bill. Does the minister have the State Solicitor's advice in front of him?

Hon STEPHEN DAWSON: I do not have it in front of me.

Hon NICK GOIRAN: The minister said to the house that he has State Solicitor advice, but the minister does not have it in front of him.

Hon Stephen Dawson: That is not unusual.

Hon NICK GOIRAN: Has the minister read the advice from the State Solicitor?

Hon STEPHEN DAWSON: I have not. The responsible minister has, hence the advice I have been given is that as a result, the points I have made stand.

Hon SUE ELLERY: I do not like to do this, but I wonder about the genuineness of the member's query because it is standard practice for State Solicitor's advice to be provided to the minister who has asked for it and who has carriage of whatever that matter is. It is not standard practice for that State Solicitor's advice to be made available to a representative minister to have on them physically when they are in the house. From time to time it may have happened, but it is not standard practice. It is also the case that this house is frequently asked to make decisions in the absence of the house being provided with a copy of State Solicitor's advice. In fact, I might go so far to say that the general convention that has been adopted is that the house is regularly asked to make a decision in the absence of being provided with State Solicitor's advice that has been provided to the government. I have been a member for 16 years and it is standard practice for State Solicitor's advice not to be provided to the house. On occasion, in particular circumstances, it has, but the standard practice is that it is not. It is not some great outrage or breach of the normal pattern of the house for the house to be asked to consider a matter without being provided with a particular piece of State Solicitor's advice that was provided to the minister who has responsibility for whatever bill we are dealing with.

Hon PETER COLLIER: I take on board the comments from the Leader of the House and she is quite accurate in that frequently, State Solicitor's advice is not provided. However, I can assure the Leader of the House that when I sat there for eight years I was frequently asked to provide State Solicitor's advice. When members opposite were on this side of the chamber, they were equally relentless as we are in pursuing that advice. Usually, when there was valid reason that State Solicitor's advice would not be provided, some issue would be associated with the advice, whether it be in confidence or commercial-in-confidence or whatever it might be. Sorry, I have been out of the chamber on urgent parliamentary business and I am not sure whether it has been indicated that there is an issue about why that advice cannot be provided. If that is the case, I am sure Hon Nick Goiran will take that on board. As I said, members opposite were very insistent on providing State Solicitor's advice wherever possible, and we always did.

Hon NICK GOIRAN: I take on board the general remarks made by the Leader of the House. The issue here is that this chamber is being told by the minister that a piece of legal advice exists, which he has not seen. The reason I asked whether it was in front of him is that I thought at least if it was in front of him, it would be something. The minister has not got it in front of him and he has not read it, so how do we know that this piece of legal advice even exists?

Hon STEPHEN DAWSON: Is the member insinuating that I am making stuff up? I have told the member that advice has been received. I have told him that the advice is there and that it has been seen. The advice was given to the commissioner and the minister with responsibility has seen it.

Hon Nick Goiran: Have you seen it?

Hon STEPHEN DAWSON: I have not seen it. The advice exists. I have written advice to say that it exists. It is outrageous if the member is suggesting that we are making this stuff up. I have given an undertaking to the member in front of us that I will raise a question with the appropriate minister and the Attorney General to see whether it might be possible to provide access to the advice at a later stage, whether in writing or as a briefing. I have given that undertaking today.

Hon Peter Collier: Do you know why you were not able to provide it? Is there a reason stated?

Hon STEPHEN DAWSON: I am just saying now that I have given an undertaking that I will ask the responsible minister and the Treasurer.

Hon Peter Collier interjected.

Hon STEPHEN DAWSON: Hang on; I am on my feet. The Leader of the Opposition can get up in a second.

Hon Peter Collier: It is just an interjection.

Hon STEPHEN DAWSON: It is getting a bit messy now.

Hon Peter Collier interjected.

Hon STEPHEN DAWSON: It is. I have given an undertaking. The member would realise that if I give an undertaking in this place, I follow up on my actions, whether it be a question or whatever else. I have given that undertaking today. I will ask the Treasurer and the responsible minister about the advice that has been received by government about this issue. If possible at a later stage, whether the advice is given to the member via a briefing or a written copy, we will follow the issue up.

Hon PETER COLLIER: I could have quite easily done this by interjection, but we did not. All I want clarified is this: is the minister actually saying that he has not denied the existence of the State Solicitor's advice; he is going to seek advice from the Attorney General?

Hon Stephen Dawson: That's it.

Hon PETER COLLIER: Did the minister say that if the Attorney General is forthcoming, he will table the State Solicitor's advice?

Hon Stephen Dawson: No, that is not what I said.

Hon PETER COLLIER: The minister did not say that?

Hon Stephen Dawson: No.

Hon Sue Ellery: Honourable member, would you take my interjection?

Hon PETER COLLIER: Yes, absolutely.

Hon Sue Ellery: The minister said that we cannot provide the State Solicitor's advice. The question was then: could a member get a briefing from the State Solicitor on the particularities of the advice? That is the bit where the minister said he said seek an undertaking from the relevant minister.

Hon Nick Goiran: At which point I asked whether we could defer clauses 14, 15 and 16 until the briefing has happened and the answer is known.

Hon Sue Ellery: Yes, which is not unusual.

Hon Nick Goiran: How can we proceed?

Hon PETER COLLIER: It is Hon Nick Goiran's call.

Hon NICK GOIRAN: If I take the minister to another aspect of this bill, it might further exemplify why we cannot proceed at this stage without getting this issue sorted. Section 289(1) of the Legal Profession Act 2008 states the following —

> A law practice must not commence legal proceedings to recover legal costs from a person until at least 30 days after the law practice has given a bill to the person in accordance with sections 290 and 291.

Minister, that is a 30-day stay before a law firm can commence legal proceedings to recover legal costs. In the minister's bill before the chamber, proposed section 52A(2) states —

> Subject to any arrangement made under section 52, a payment required under subsection (1) must be paid by the applicant within 28 days after the date on which notice of the requirement is given to the applicant.

There will be one law in Western Australia that states that law firms that issue legal bills cannot recover costs for 30 days, but the commissioner is able to ask a person to pay within 28 days. Plainly, there will be an inconsistency between the two pieces of legislation. Has the government sought advice on this inconsistency?

Hon STEPHEN DAWSON: I am advised that that is the Legal Profession Act. The commissioner is not a legal professional and he has different rights under law.

Hon NICK GOIRAN: That is right, minister. The point here is that in both circumstances a person is going to have to pay for legal costs that arise out of the work of a legal practitioner; that is why there is a link between the two pieces of legislation. An inconsistency between the two pieces of legislation is now being created here, with one stating that the commissioner can require a person to pay within 28 days and the other stating that a law practice cannot commence legal proceedings until at least 30 days. I am not for a moment suggesting that the commissioner is a member of the legal profession, although he or she might be; that is not the point here. The point is that the applicant is required to pay something under law within 28 days, but under another law it is very clear that costs for legal proceedings cannot be recovered until after at least 30 days.

Hon STEPHEN DAWSON: I draw the member's attention to section 60 of the First Home Owner Grant Act 2000, "Commissioner may require fees to be reimbursed". It states —

> (1) The Commissioner may, by written notice, require an applicant for a first home owner grant, who holds a relevant interest in relation to which a memorial is lodged under section 55, to pay the amount of any fees paid by the Commissioner for the registration, or the cancellation of the registration, of the memorial.
>
> (2) An amount required to be paid under subsection (1) must be paid by the applicant within 28 days after the date on which notice of the requirement is given to the applicant.

So, yes, the existing act states that, and yes, the member is quite right in pointing out that the Legal Profession Act has a 30-day stay. There is a difference between the two; that difference exists. The period of 28 days is specified in the existing act.

Hon NICK GOIRAN: The minister does not understand. The reason that the First Home Owner Grant Act 2000 at the moment states 28 days and that it is not an issue with respect to the 30-day period is that, as the minister knows, the current act does not refer to legal costs. There is no provision to recover legal costs. It is the minister's bill before the house, which we have been discussing for the last couple of days, that seeks for the first time to insert a capacity for the commissioner to recover legal costs. I have said from the outset that I fully support the government's capacity to be able to recover grants that have been wrongly issued or for which requirements have not been complied with, and that remains the case. But our agreement with the policy of that does not mean that we can sit by and allow an inconsistency to happen within the legislation. The minister referring me to section 60(2) of the existing act is of no point. It only tells me that the drafters of the bill noted that a period of 28 days was specified elsewhere in the act and decided to use the period of 28 days in the bill for the sake of consistency. It also tells me that no-one has looked at the Legal Profession Act 2008 and realised that it immediately creates a dilemma with regard to the 30-day period. We have been going for quite a while on this and I anticipate that the minister will get advice that this is not really relevant. Before we go down that path and draw things out a little further, I draw to the minister's attention section 295 of the Legal Profession Act, which, in a sense, has absolutely nothing to do with lawyers. It has to do with what is called a third party payer, which is the terminology used in that act. Section 295(3) states —

> A third party may apply to a taxing officer for an assessment of the whole or any part of a bill for legal costs payable by the third party payer.

It goes on in subsection (6) to state that an application by a third party payer under this section must be made within 12 months after the request for payment was made to the third party payer.

The point I am making is that the applicant, or the person from whom the commissioner is trying to recover money, is a third party payer. We have been told that last financial year, the government took 63 cases to court for legal recovery. We have also been told consistently over the last couple of days that the government does not use external lawyers but does everything in-house. That means that all this is actually unnecessary. The minister has told the chamber that the reason for this amendment is that the government would like the capacity to futureproof this bill in case it wants to use lawyers in the future. That is fine. The government is entitled to do that. At one level, I support that. If the commissioner were to say that he no longer wants to do these recovery cases himself but wants to brief a law firm, under this amendment he would be entitled to do that. However, under section 295(3) of the Legal Profession Act, the applicant—the person from whom the commissioner is trying to recover the funds—would be a third party payer. That is the law in Western Australia at the moment. We will have the lawyer, the

client, and the third party payer. The client is the government—the commissioner. The third party payer is the applicant. Under the law of Western Australia, that third party payer may apply to a taxing officer for an assessment of the whole or any part of the bill for legal costs. My concern is that the government has not given consideration to this and has not sought advice on this inconsistency. This needs to be cleared up before we proceed with this clause of the bill.

I think members would agree that a first home owner applicant who receives a notice from the commissioner to pay the legal costs that have been charged to their account would not have the slightest idea that under the Legal Profession Act 2008 they are entitled to an assessment of costs. This is where the unfairness kicks in, minister. A law firm is obliged by law to let a person who receives a bill for costs know that they have the right to apply for an assessment of those costs. The commissioner may decide that he wants a law firm to do the recovery cases for him—which he did not need last year when he had 63 court cases—and that law firm may issue a notice to the applicant to tell him or her, or them, in the case of joint owners, that they are obliged to pay the legal costs. The applicant has no idea that they are entitled to an assessment of costs. The government should agree to a short deferral of the debate on this clause so that we can sort this out with the State Solicitor. I suspect that the State Solicitor will agree that what I am saying is right and that we need to build into this act a provision by which the commissioner is required under Western Australian law to advise the third party payer that they have the right to have their costs assessed. I suspect the minister will also get advice from the State Solicitor, if he asks him, that it is very unwise to leave in the act the period of 28 days, and that we should build into the act a safety mechanism that provides that the commissioner cannot proceed to take action for 30 days, otherwise he will fall foul of section 289(1) of the Legal Profession Act 2008. Has the government sought advice on any of these issues?

Hon STEPHEN DAWSON: The answer, member, is no.

Hon NICK GOIRAN: Will the government now take advice on these issues?

Hon STEPHEN DAWSON: It is not our intention to take advice on it. My advisers say, as the member rightly pointed out, that 28 days was chosen because it is consistent with the number of days that is used throughout the act. The member raised a valid point about whether people will have an understanding of the Legal Profession Act and the safety measure that the member talked about. The member talked about the commissioner advising people that they can question—what was the word the member used? I will have to look at *Hansard*. It was about the commissioner providing advice to third parties, I think. The member raised a valid point, and I am happy to raise that with the minister and ask him to consider that moving forward. However, it is not our intention to seek further legal advice on the inclusion of 28 days in this provision.

Hon NICK GOIRAN: Section 53 of the First Home Owner Grant Act 2000 is entitled "Recovery of certain amounts". I am sure the member has that in front of him. It is in the blue bill. It states —

> (1) This section applies to —
>
> (a) an amount that is required to be repaid under the conditions of a first home owner grant or by a requirement of the Commissioner under this Act;
>
> (b) the amount of a penalty imposed by the Commissioner under this Act;
>
> (c) an amount, together with interest, that is due and payable under a repayment arrangement; and
>
> (d) an amount that is required to be paid under section 60.

That is the law at the moment. The commissioner has been doing this since 1 July 2000. We worked out earlier that for the past 17 years, the commissioner has been handing out first home owner grants; and, when necessary, has from time to time had to recover certain amounts, including those under the four paragraphs that I have read out. This is not something new. It has been happening for 17 years. The commissioner is now saying to the Legislative Council, 17 years later, that he would like us to add a fifth ingredient to his cake. By way of analogy, the commissioner is saying, "I have four layers on my cake, and I would like you to add some legal costs icing so that it will have five layers." The fifth layer is proposed paragraph (e), which will allow the commissioner to recover —

> the amount of legal costs referred to in a notice given by the Commissioner under section 52A(1).

The problem is that the Legislative Council is being asked to add a fifth layer to the cake in circumstances in which for the last 17 years the commissioner has not needed that fifth layer. Remember that it has all been done in-house. That is the advice that the house has been given consistently. We are being told that we are not using external lawyers. It is all done in-house, including the 63 cases that went to court last year. Nevertheless, we just want to add this icing on the cake even though we never use it. As I said the other day, my view is that when the government can indicate to the house that it is going to use this, it can bring in a bill to the house and say, "Look, this is the situation. These are the circumstances we find ourselves in. Can you please authorise us to do this?" It is important that it is done with clarity because no-one else in Western Australia gets these special rights. When the small business down the road—let us imagine it is a plumber—does some work for somebody, they do not have the luxury

of saying, "Well, here's the bill. I've issued the bill to the customer. Now we're going to negotiate. Maybe there will be an instalment arrangement." They certainly do not have the luxury of being able to secure their debt with a memorial. They do not get to say to the person, "By the way, here's another notice for some legal costs that I have incurred." It would be wonderful if we could all do that. The government is creating for itself some special recovery provisions when it has never used them in the past. Secondly, it is saying that advice was given to the State Solicitor's Office that there were circumstances in which the commission could not recover the cost. Interestingly, that flies in the face of earlier advice to the house that we never use lawyers. The minister can understand why I am curious to know about the State Solicitor's advice, because we were told that we do not use lawyers.

Hon Stephen Dawson: External lawyers, member.

Hon NICK GOIRAN: We do not use external lawyers so at the moment we do not need this provision, but in the future we might use external lawyers and then we might need this provision. Why the government would say that in the past we have not been able to recover the costs really does not make any sense, because external lawyers have not been used. But I cannot ask the minister about that because, as we have discussed earlier, the advice is unavailable. The member was going to consult the relevant minister—I think it is the Treasurer or the Minister for Finance; it is the same minister in any event—on whether we might be able to receive a briefing from the State Solicitor's Office to understand the circumstances of this mystery case. It makes no sense to me and I am sure other members that the minister can tell the house that we do not use external lawyers and therefore we do not need this provision, but we might need it in the future, but there was a case when we were not able to recover the legal costs. It is one or the other. The government has used an external lawyer or it has not. I am relying on the advice given to the house and working on the basis that the commissioner has not used external lawyers in the past and the proposal is not needed.

Apart from the fact that we have that inconsistency about whether the commissioner has been using external lawyers, worse we now have the inconsistency between the First Home Owner Grant Act 2000 as it is sought to be amended by this bill and the Legal Profession Act 2008. It is one thing for there to be an inconsistency. It is another thing for it to be brought to the government's attention and the government to say, "We hear you. We're not listening. We're not going to take advice on it. We're going to bury our head in the sand and pretend the last few days did not happen and we know nothing. We would rather not know about these inconsistencies between the First Home Owner Grant Act and the Legal Profession Act. We would rather not know that it exists and we will not even take advice on it." Minister, I am personally dismayed that we are unable to defer consideration of this bill until we can get advice from either the State Solicitor or a personal briefing.

Committee interrupted, pursuant to standing orders.

Sitting suspended from 4.15 to 4.30 pm

QUESTIONS WITHOUT NOTICE

COMMISSION OF INQUIRY

543. Hon PETER COLLIER to the Leader of the House representing the Premier:

I refer the Premier to his response to part (5) of question without notice 520 asked on Wednesday, 6 September.

(1) What is the job classification and title of each of the 17.4 full-time equivalent public servants employed in the secretariat of the commission of inquiry?

(2) From which department was each of the 17.4 FTEs seconded?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

(1) Special inquiry executive director/secretary, band 3, State Administrative Tribunal; inquiry directors, two at level 9 (SES); inquiry legal officers, one at specified calling level 6; one at specified calling level 4; inquiry team leader, one at level 8; investigation team members, five at level 7, one at level 6, two at level 5, and two at level 4; administration and records assistants, one at level 4, and one at level 3.

(2) The 17.4 FTE are all public servants as follows: Department of Finance, five; Department of the Premier and Cabinet, three; Department of Training and Workforce Development, one; Department of Local Government, Sport and Cultural Industries, 0.4; Department of Health, two; and Corruption and Crime Commission, one.

SERVICE PRIORITY REVIEW

544. Hon PETER COLLIER to the Leader of the House representing the Premier:

I refer the Premier to his response to part (5) of question without notice 541 asked on Wednesday, 6 September.

(1) What is the job classification and title of each of the 15 FTE public servants employed in the secretariat of the service priority review?

(2) From which department was each of the 15 FTE seconded?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

In reference to the previous submitted PQ569, there are 16 public sector staff on placement; two of the officers are part time. Honourable member, that is the difference between FTE and headcount. Details of those public servants are as follows. They are in tabular form so I seek leave to have it incorporated into *Hansard*.

Leave granted.

The following material was incorporated —

Position Title	Classification	Home Agency
Project Director	NCEO3	Department of Mines, Industry Regulation and Safety
Project Manager	Class 1	Department of Biodiversity, Conservation and Attractions
Project Manager	Level 9	Department of Mines, Industry Regulation and Safety
Project Manager	Level 9	Department of Water and Environmental Regulation
Project Manager	Level 9	Department of Mines, Industry Regulation and Safety
Principal Project Officer	Level 8	Department of Water and Environmental Regulation
Principal Project Officer	Level 8	Department of Treasury
Principal Project Officer	Level 8	Department of Communities
Principal Project Officer (Part-time)	Level 7	Department of Treasury
Principal Policy Adviser	Level 7	Department of Communities
Principal Policy Adviser (Part-time)	Level 7	Department of Mines, Industry Regulation and Safety
Project Officer	Level 4	Public Sector Commission
Communications Officer	Level 5	Department of Mines, Industry Regulation and Safety
Executive Officer	Level 4	Department of Mines, Industry Regulation and Safety
Project Officer	Level 4	Department of Finance
Project Support Officer	Level 3	Department of the Premier and Cabinet

NANNUP TIMBER PROCESSING MILL

545. Hon MICHAEL MISCHIN to the Minister for Regional Development:

I refer to the minister's response to questions yesterday regarding Nannup Timber Processing Mill, advising that she and others had visited and met with various representatives of the company last week and had subsequently made an offer of a, quote, "relatively small interest-free loan over three years", which had been taken to cabinet.

(1) When did ministers and representatives of the state government meet with representatives of the company?

(2) Who was at each meeting and what was discussed?

(3) What other discussions were conducted with representatives of the company, and between whom and when, and what was discussed?

(4) When and what offers were made on behalf of the state, precisely how much was this "relatively small interest-free loan", and when was cabinet approval for that offer obtained?

(5) What due diligence was conducted on behalf of the government before the offer was made, and by whom, and will the minister table all relevant business cases, assessments and advices that informed the decision to make an offer and its terms; and, if not, why not?

Hon ALANNAH MacTIERNAN replied:

I thank the member for some notice of the question.

(1)–(5) Minister Dave Kelly and I met with the management of the company on several occasions over the past two weeks to discuss the planned closure of the green mill component of the Nannup timber processing operations and the barriers to the mill continuing. We were concerned to act quickly to prevent job losses if there was a viable future for the business. The impact on the economy of Nannup at the loss of these jobs will be severe. Cabinet approval this week was given in principle to a loan, subject to a due diligence processes to ensure that securities and guarantees were negotiated to fully protect the state's interest for a loan of up to $1.5 million. Further, the loan was to be made in tranches with certain milestones to be reached before further payments would be advanced. Those negotiations were not concluded when the company made the decision that it no longer wanted to proceed down that path. The company is still hoping to be able to reopen the business sometime in the future.

SCHOOL FUNDING — 2017–18 STATE BUDGET

546. Hon DONNA FARAGHER to the Minister for Education and Training:

I refer to the announcement today of the significant reallocation of current expenditure across the Department of Education.

(1) Can the minister advise whether there are any primary and/or secondary schools that were previously identified in the forward estimates for a build or rebuild that have had funding either reduced or removed from the forward estimates, or have had the timing of capital works pushed out as a result of today's budget?

(2) If yes to (1), will the minister undertake to provide the house next Tuesday with a list of the schools affected, including the relevant funding and/or timing changes; and, if not, why not?

Hon SUE ELLERY replied:

I thank the honourable member.

(1)–(2) I can appreciate the honourable member wanting to ask that question. I do not have at hand information available to me about a reduction in funding and/or the timing of such across what I am sure the member understands is a portfolio of 800 schools.

Hon Donna Faragher: I didn't say that. I asked if you could bring it next week.

Hon SUE ELLERY: The first part of the question asked me to provide that information.

Several members interjected.

Hon SUE ELLERY: Okay, here is the thing: if the member does not give me a copy of the question, I am just going to reply to what I have heard. Would the member like to give me a copy? I will certainly give the member an undertaking that I will read *Hansard* and I will give the member what I can the next time the house meets.

FAMILY AND DOMESTIC VIOLENCE — ABORIGINAL AND CULTURALLY AND LINGUISTICALLY DIVERSE VICTIMS — 2017–18 STATE BUDGET

547. Hon NICK GOIRAN to the Leader of the House representing the Minister for Prevention of Family and Domestic Violence:

I refer to the government's commitment to provide $1.6 million in additional funding to an existing non-government organisation to provide culturally appropriate support services to Aboriginal and culturally and linguistically diverse female victims of family and domestic violence.

(1) Has an existing NGO been identified to receive the additional $1.6 million in funding?

(2) If yes to (1), which one?

(3) If no to (1), has a shortlist been developed?

(4) If yes to (3), will the minister table a copy of the shortlist?

(5) If no to (3), what steps have been taken by the minister to progress the fulfilment of this commitment?

(6) What culturally appropriate support services are available for Aboriginal and culturally and linguistically diverse male victims of family and domestic violence?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of this question.

(1)–(6) I note that this question was lodged on 15 August 2017, so it is accurate as at 15 August. The government looks forward to progressing and delivering its commitments. It is currently working through the budget process to do so. The government does not provide funding for support services that specifically target male victims of family and domestic violence. All victims of family and domestic violence, including male and female adults, and children, are able to access family and domestic violence support services in Western Australia.

CARNARVON RESIDENTIAL AGED CARE — 2017–18 STATE BUDGET

548. Hon JACQUI BOYDELL to the Minister for Regional Development:

The Liberal–National government allocated $16.5 million to Carnarvon residential aged care. Why has this important project been deferred and the funding been reduced in the state budget released today?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question.

The member will note that we have worked very hard to meet our election commitments that we made across the state. In particular, the member will note the funding that has been made available for Carnarvon Community College. We said we were reviewing all other projects. I would have expected a little enthusiasm for the fact that we indeed did manage to preserve a significant amount of funding for the Carnarvon aged care project. Member, as we have made it very clear, it was simply not possible for us to ensure that we funded all our election commitments and be responsible in the way that we administered the budget, and not continue to increase our debt level. We had to make some decisions. I would have thought that our decision to proceed totally with all stages of the Carnarvon Community College and to still make a significant contribution to aged care in Carnarvon was a very positive achievement.

REGIONAL COMMUNITY CHILDCARE DEVELOPMENT FUND

549. Hon MARTIN ALDRIDGE to the Minister for Regional Development:

I note the discontinuation of the regional community childcare development fund. Is the early education of country kids and support for working families not a priority for this government, which, instead, favours marinas in Ocean Reef and car park expansions in Mandurah?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question. I have to say that it is the case that we simply were not able to fund all the programs —

Hon Martin Aldridge: Are childcare centres unimportant?

Hon ALANNAH MacTIERNAN: Not at all; I certainly did not say that. I said that the finances were left in a state that meant that we needed to ensure that we had a budget that could be balanced. I say to National Party members that they should be a little honest with themselves. Their senior coalition partners said that in order to give any credibility to their books, they would have to have transferred around $800 million of expenditure from the consolidated fund into royalties for regions. That undertaking was made by their senior coalition partner. They can go around the place and say that they would have funded —

Point of Order

Hon MARTIN ALDRIDGE: Madam President, this side has been cautioned on several occasions this week by you about concise questions. On many occasions this week we have heard non-concise answers from the member opposite. I asked about a regional childcare fund and the minister is talking about something completely separate.

Hon Alannah MacTiernan: No; I am not; I am talking about absolute —

The PRESIDENT: Minister, I get to say something before you do.

Hon Alannah MacTiernan: Sorry.

The PRESIDENT: There is no point of order. As I said earlier this week and on a number of other occasions, you might ask one question but it is up to the minister how they respond. Whilst we all would appreciate that responses are concise, just as questions should be, perhaps if people did not interject and encourage the minister to expand, the answer might be in a briefer format. I am sure the minister is drawing to a close.

Questions Without Notice Resumed

Hon ALANNAH MacTIERNAN: I note that the question was not just seeking factual information; it was very value laden. I make the statement that we are prepared to talk to the proponents about any project that has been cut to look at how we might fund these projects into the future, provided of course we get cooperation from the other side of the house in advancing our budget repair measures, which they will need to determine.

INFRASTRUCTURE — SOUTH WEST

550. Hon JIM CHOWN to the Leader of the House representing the Premier:

I refer to the McGowan Labor government's plan for Collie–Preston in the Premier's media statement on Friday, 1 September, which states —

> "In the South-West alone, the McGowan Government will spend $636 million on critical infrastructure over the next four years.

How much of the $636 million in funding will go towards critical infrastructure in the electorates of Collie–Preston, Vasse, Bunbury and Warren–Blackwood?

Hon SUE ELLERY replied:

I could be mean and nasty or I could be kind, and I have decided to be kind!

Hon Jim Chown: It was a straightforward question.

Hon SUE ELLERY: I know it was. I have decided to be kind, honourable member, because one of the member's colleagues asked this question earlier this week. The answer is that I refer the honourable member to the answer to Legislative Council question without notice 532.

HYDRAULIC FRACTURING

551. Hon RICK MAZZA to the minister representing the Minister for Mines and Petroleum:

I refer to yesterday's *The West Australian* article "Frack me later, maybe: Labor" and the former Labor federal resources minister's comments, following the WA government's announcement, that it is "yet another inquiry" into hydraulic fracturing. The former Labor minister said —

> It's a proved method of development, it's safe and I hope that it is a positive outcome for the sake of job opportunities for WA,"

(1) Is the former Labor resources minister correct that the decision for yet another inquiry is just another "marginal seat consideration" and that another inquiry was motivated more by politics than policy?

(2) Has the government assessed the impact of delays on job opportunities in Western Australia?

(3) What was the selection process for the inquiry's panel members?

(4) What are the terms of their remuneration?

(5) What is the anticipated time frame for the completion of the inquiry?

Hon ALANNAH MacTIERNAN replied:

I thank the member for some notice of the question. The Minister for Mines and Petroleum has provided the following information.

(1) No.

(2) On the basis of information available to the Department of Mines, Industry Regulation and Safety, no company currently undertaking oil and gas exploration or production onshore in Western Australia has plans to undertake hydraulic fracturing for at least the next 12 months. Therefore, any potential impact on job opportunities over the inquiry period is considered minimal.

(3)–(5) The inquiry is being conducted under the Environmental Protection Act 1986; therefore, these questions should be redirected to the Minister for Environment.

WA PLANNING COMMISSION — DEVELOPMENT CONTROL POLICY 1.8

552. Hon AARON STONEHOUSE to the minister representing the Minister for Planning:

(1) Does the minister retain confidence in the WA Planning Commission's Development Control Policy 1.8 relating to canal estates and waterway developments?

(2) If yes, can the minister confirm that this government would expect and require developers to adhere fully to the principles laid out in that document prior to any planning permission being granted?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

(1) Yes.

(2) Developers are to adhere to the principles laid out within the policy at the relevant stages.

SOUTHERN JOINT DEVELOPMENT ASSESSMENT PANEL — PUMA ENERGY

553. Hon COLIN TINCKNELL to the minister representing the Minister for Planning:

(1) Does the state government plan to appeal a decision handed down by the State Administrative Tribunal, which overturned a ruling by the southern joint development assessment panel allowing the construction of a 24-hour Puma convenience store? This decision flies directly in the face of the City of Busselton and the southern joint development assessment panel's long-term vision and plan for the town of Dunsborough to develop a pedestrian–friendly city centre by allowing the construction of a third service station within an approximately 300-metre strip of the centre of town.

(2) Would the minister agree that almost any person in the state would consider a Puma outlet that sold fuel to be a service station or a petrol station and not just a convenience store, no matter what other products are sold in addition to fuel?

(3) Is the minister concerned that a legal body such as the State Administrative Tribunal is able to override decisions made by a panel of qualified town planners and local government members, such as the SJDAP—a panel whose very creation was for the specific purpose of allowing the south west to determine the direction and future of its towns—by making a decision based on a legal framework only and not the wider interests of the community?

The PRESIDENT: I might just say that that was a very long question.

Hon STEPHEN DAWSON replied:

My answer is a lot shorter! Member, I point out that I represent the Minister for Planning in here, so the question has come to me.

(1)–(3) The government is currently reviewing the decision made by the State Administrative Tribunal. The State Administrative Tribunal has been a part of the planning system in Western Australia since its establishment in 2005 and following an application being made, reviews planning decisions against the relevant planning framework.

RENEWABLE ENERGY PROJECTS

554. Hon TIM CLIFFORD to the minister representing the Minister for Energy:

It was revealed in Senate budget estimates on 23 May 2017 that the Clean Energy Regulator reported that Western Australia has only 180 megawatts of renewable energy projects out of the 3 900 megawatts of new projects in the pipeline across Australia to meet the large-scale renewable energy target.

(1) What is the cheapest megawatt-hour price for those projects?

(2) Will the state government meet its requirement to comply with the LRET?

(3) Will the state government continue to purchase LRET credits from the national market?

(4) Will the state government commit to building renewable energy projects on the south west interconnected system to meet the target?

(5) Will the government be faced with $50 million per year in penalties if it does not comply with the LRET after 2020?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question. The following information is provided on behalf of the Minister for Energy.

(1) I will need to take this question on notice, as I require clarification by Hon Tim Clifford about what projects are included in the 180 megawatts of renewable energy projects that are in the pipeline.

(2) Synergy will meet its large-scale renewable energy target obligations.

(3)–(4) Synergy will meet its large-scale renewable energy target obligations in a way that delivers best value to electricity consumers and taxpayers. Synergy is considering a wide range of options to achieve this objective.

(5) Not applicable.

NATIONAL DISABILITY INSURANCE SCHEME

555. Hon ALISON XAMON to the Minister for Disability Services:

I refer to the rollout of the National Disability Insurance Scheme.

(1) Will the minister please advise what strategies are being put into place to ensure specific tailored services will be available to meet the support needs of people who are mentally impaired accused?

(2) Will the minister please advise what strategies are being put into place to ensure specific tailored services will be available to meet the support needs of people who have been discharged from forensic mental health inpatient services?

Hon STEPHEN DAWSON replied:

I thank the honourable member for some notice of the question.

(1) People who have been deemed mentally impaired accused and who are eligible for the NDIS will be able to access services via their local coordinator, and their disability-related supports will be considered in the development of an individual plan. Additionally, the Department of Communities operates a disability justice service providing support to people with disability who are interfacing with the justice system. The disability justice service incorporates a team of multidisciplinary allied health clinicians who work in collaboration with government and non-government organisations to build their capacity to support people with disability interfacing with the justice system and around issues relating to offending behaviour.

(2) People who have been discharged from forensic mental health services may be able to access services under the NDIS should they meet the eligibility criteria. Their disability-related supports will be considered in the development of an individual plan. The Department of Communities will continue to work closely with government agencies and the WA mental health sector to ensure people who are ineligible for the NDIS are referred to appropriate supports and services.

COLLIE MINEWORKERS MEMORIAL POOL

556. Hon SIMON O'BRIEN to the Minister for Regional Development:

I refer to the McGowan Labor government's plan for Collie–Preston—this is another version—and the Premier's media statement on Friday, 1 September, which includes $2 million towards a new 25-metre indoor pool and clubrooms at Collie Mineworkers Memorial Pool.

(1) Can the Premier please explain his government's decision to fund $2 million to construct a new 25-metre indoor pool and clubrooms in Collie, given that the previous Liberal–National government provided $3.6 million in funding for the complete refurbishment of the 50-metre swimming pool, new plant buildings and the construction of a new leisure pool at Collie Mineworkers Memorial Pool, which opened in 2015?

(2) Perhaps more importantly, what approaches or applications were made by the Shire of Collie to the state government for funding for a new 25-metre indoor pool and clubrooms in Collie?

Hon ALANNAH MacTIERNAN replied:

(1)–(2) Wow! I am so glad the member asked that question. I was very disappointed yesterday when he did not ask it, as was Mick Murray. I note that we originally got it from Hon Steve Thomas, who probably had more sense than to actually ask it.

The Collie pool is some 50 years old.

Point of Order

Hon DONNA FARAGHER: The minister was asked a question by Hon Simon O'Brien yesterday. Whether or not something might have had the name of another member on it is irrelevant, and she should not even refer to it in the house.

The PRESIDENT: I note the member's comment. Can the minister continue with her answer, please?

Questions without Notice Resumed

Hon ALANNAH MacTIERNAN: It was an observation.

This expenditure was an election commitment. I assure members that this project for a 25-metre indoor pool has received great support from the Collie community, and great advocacy from the Shire of Collie for a long time. It is something that the community has wanted for a long time. It is true that there was a revamp of the 50-year-old outdoor pool some years ago, but I remind members of just how cold it gets in Collie. In fact, often winter temperatures can fall to minus five degrees. There was a great desire in that community. As is the case in Hon Simon O'Brien's electorate, many communities have indoor pools. Collie is a town of some 9 000 people. I am sure that we can go around and do an analysis of all towns that have received assistance to get a 25-metre indoor pool to enable vital swimming lessons to continue all year round and for hydrotherapy. A lot of mineworkers have very physical jobs, and it is important that they have hydrotherapy facilities. We are very proud of this project and we believe that the town of Collie has the right to have an indoor pool, as is enjoyed by many of the honourable member's constituents.

EMERGENCY RESCUE HELICOPTER — SOUTH WEST

557. Hon COLIN HOLT to the Minister for Regional Development:

I refer to the south west emergency rescue helicopter service. Can the minister confirm that this vital service is unfunded beyond the 2017–18 financial year? This probably just needs a yes or no.

Hon ALANNAH MacTIERNAN replied:

If the member can give me some time to check the budget papers, I will check that and get back to him.

SOLAR POWER STATION — KALGOORLIE–BOULDER

558. Hon ROBIN SCOTT to the Minister for Regional Development:

(1) Is the minister aware of an article in the Thursday, 7 September 2017 edition of the *Kalgoorlie Miner* attributing to the minister the intention of spending $500 000 of taxpayers' money on a feasibility study for a solar power station in Kalgoorlie–Boulder?

(2) Does the minister agree that any such feasibility study is better conducted at the expense of private investors rather than taxpayers?

(3) Will the minister assure the house that the government will not speculate with taxpayers' money in the construction of any kind of power station?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question.

(1)–(3) I went to the goldfields and launched our policy, so I am well and truly aware of the fact that we made an election commitment that we would invest up to $500 000 in a feasibility study. Please be assured that we do not want to waste taxpayers' money, but we understand that there is a real need in the goldfields to increase the availability of power. We have had representation from company after company in the goldfields telling us that they are unable to get adequate power for the mining or mineral processing projects.

Hon Robin Scott interjected.

Hon ALANNAH MacTIERNAN: We are happy to explore other ideas, if the member has other ideas, but I just let him know that in the first instance we are spending a lesser sum of money to develop a prospectus on the possibilities. If business as usual had solved the problem, we would not be getting all these representations from the goldfields that they are not able to drive forward, so we had to intervene. We will develop a study that will form the basis of a prospectus for the private sector, dealing with all the issues, such as land availability, grid connection—all the bits of information about the regulatory environment that a company would have to access to put a bid forward for this sort of project. Once we have done that body of work, we will convene an industry round table and determine the way forward.

URANIUM MINING PROJECTS

559. Hon ROBIN CHAPPLE to the minister representing the Minister for Mines and Petroleum:

I refer to the "Projects Under Consideration" section on page 31 of the June 2017 edition of *Prospect*, and also to the "Significant resource projects in Western Australia" section on page 32.

(1) Why is only the Yeelirrie uranium project named in both "Projects Under Consideration" and "Significant resource projects"?

(2) Are the Mulga Rocks, Wiluna and Kintyre uranium projects classified differently by the Department of Mines and Petroleum?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question. I have been given the following information by the Minister for Mines and Petroleum.

(1) The Yeelirrie uranium project is listed in the June–August 2017 edition of *Prospect* because it is currently the largest undeveloped uranium deposit in Australia.

(2) The Department of Mines and Petroleum amalgamated with the Department of Commerce on 1 July 2017 to become the Department of Mines, Industry Regulation and Safety. The Mulga Rock, Wiluna and Kintyre uranium projects differ from the Yeelirrie uranium project as they are subject to different legislation. The Mulga Rock, Wiluna and Kintyre projects are subject the Mining Act 1978 administered by the Department of Mines, Industry Regulation and Safety. The Yeelirrie project is subject to the Uranium (Yeelirrie) Agreement Act 1978 administered by the Department of Jobs, Tourism, Science and Innovation.

FOREST PRODUCTS COMMISSION — JARRAH SAWLOGS

560. Hon DIANE EVERS to the minister representing the Minister for Forestry:

(1) For the last five financial years, if figures are available, how many jarrah sawlogs, by year, were adjudicated as rejects because of the logs being poor quality?

(2) Has the average diameter of jarrah sawlogs sold by the Forest Products Commission diminished over time due to younger trees being logged?

(3) What is the usual recovery rate for sawn timber for structural, furniture or decorative purposes from jarrah sawlogs?

(4) With reference to question without notice 417 asked on 17 August, when does the minister expect the independent assessment of employment in the forestry industry commissioned by the Forest Products Commission on 20 February 2016 to be completed, and will he make it publicly available on its completion?

Hon ALANNAH MacTIERNAN replied:

I thank the member for some notice of the question. The Minister for Forestry has provided the following response.

(1) Due to the level of information required, it is not possible to provide an answer in the time available and the member is requested to place this part of the question on notice.

(2) The dimensions of logs sold are not recorded. However, I am aware that industry has observed a reduction in the size of jarrah sawlogs since the old-growth policy was introduced by the previous Labor government in 2001. Through protecting old-growth forest, there has been a reduction in the size of logs delivered for milling.

(3) The Forest Products Commission does not retain detailed statistics on rates of recoveries achieved in customers' mills by timber products or classes. As noted in information provided to the member on Friday, 1 September 2017, these rates will vary widely depending on a number of factors.

(4) It is expected that the report will be completed within the next two months and will be published.

BUSSELTON–MARGARET RIVER AIRPORT EXPANSION

561. Hon Dr STEVE THOMAS to the Minister for Regional Development:

(1) How much royalty for regions funding has the government committed to the Busselton–Margaret River airport expansion in the 2017–18 state budget?

(2) What deferment or cancellation of funding for this project has been enacted by this budget?

Hon ALANNAH MacTIERNAN replied:

I thank the member for the question.

(1)–(2) Again, I will need to check the actual profile, but I understand that the funding remains at this point at the same level it was under the previous government.

DEPARTMENT OF THE PREMIER AND CABINET — SENIOR EXECUTIVE SERVICE

562. Hon TJORN SIBMA to the Leader of the House representing the Premier:

I refer the Premier to his answer to parliamentary question 539 and his vow to end big payouts for senior public servants who leave their positions or are removed from their positions before contract expiry.

(1) Will the Premier introduce legislation to amend section 59 of the Public Sector Management Act 1994 in order to reflect his public utterances about compensation being clearly excessive?

(2) If so, when will it be introduced?

(3) If not, why not, given his statements to *The West Australian* political editor Mr Gary Adshead as reported on 24 June 2017?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of the question.

(1)–(2) As per the media comments the honourable member referred to, legislative mechanisms are being investigated and will be announced in due course.

(3) Not applicable. The comments provided to Mr Gary Adshead still stand.

HARDSHIP UTILITY GRANT SCHEME — RECIPIENTS

563. Hon PETER COLLIER to the minister representing the Minister for Child Protection:

(1) What were the number of recipients for the hardship utility grant scheme for each month from January to August 2017 inclusive?

(2) What was the amount paid through the hardship utility grant scheme for each month from January to August 2017 inclusive?

Hon SUE ELLERY replied:

I thank the honourable member for some notice of this question.

(1) Data is not collected by recipient; however, the number of approved grants has been provided. August data is not yet available; reports are generated at the beginning of the following month. The figures are: January, 2 655, February, 2 902, March, 4 227, April, 2 547, May, 5 033, June, 8 125; and July, 10 697.

(2) The August data is not yet available; reports are generated at the beginning of the following month.

I seek leave to have the rest of the information incorporated into *Hansard*.

Leave granted.

The following material was incorporated —

January	$1 051 824
February	$1 199 095
March	$1 806925
April	$1 068 582
May	$2 054 824
June	$3 174 524
July	$4 020 042

TOURISM WESTERN AUSTRALIA — LOGIE AWARDS

564. Hon COLIN TINCKNELL to the minister representing the Minister for Tourism:

(1) Will the government be making a submission to host the Logie Awards in Perth?

(2) Is the government willing to look into whether hosting such an exclusive event as the Logies would be of economic benefit to Perth and Western Australia, as we believe, by bringing such a highly publicised and exclusive event of this calibre to Perth?

Hon ALANNAH MacTIERNAN replied:

I thank the honourable member for some notice of this question. The following information has been provided to me by the Minister for Tourism.

(1)–(2) No, he will not be lodging a submission. Key considerations for Tourism Western Australia when assessing a potential investment are the ability of the event to drive visitation to WA and to generate media coverage of the state in key markets. The Logies are a domestic event that generate Australian broadcast coverage only, with no international distribution or interest. Further, this event is hosted and filmed inside a Crown Casino ballroom, providing very little, if any, coverage or profile for the host city. The Logies are not open to the general public—people cannot buy tickets—therefore, visitation is limited to the stars who attend, any accompanying media and the operational delivery team. The above considerations are assessed in the context of the requested or required funding of $1 million per annum and it is unlikely that the anticipated return on investment will justify funding the event at this level. It is understood that Melbourne, Victoria, has decided to cease its investment in the event given the limited tourism outcomes and the high funding requirement.

WESTERN AUSTRALIAN RECOVERY COLLEGE

565. Hon ALISON XAMON to the parliamentary secretary representing the Minister for Mental Health:

I refer to the government's election commitment to introduce recovery colleges in Wanneroo and around Royal Perth Hospital.

(1) Will the minister please table the business case for a Western Australian recovery college coordinated by the Western Australian Association for Mental Health for the Mental Health Commission?

(2) Will the minister commit to building upon the extensive consultation and work that the recovery college of Western Australia steering group has undertaken when deciding which form a recovery college will take in Western Australia; and, if yes, how?

(3) When does the minister expect that a Western Australian recovery college will be operational?

Hon ALANNA CLOHESY replied:

I thank the honourable member for some notice of the question. I notice that it was lodged on 22 August. Of course, the answer is quite different from what I was prepared to provide on 22 August, because I was going to refer the member to the budget. In that case, I can now say that the budget includes an allocation of $200 000 for the development of a comprehensive model of service delivery for a recovery college. That will include the development of a comprehensive business plan that will be suitable for production to the Expenditure Review Committee for consideration in other budget rounds. The $200 000 will go towards the development of a detailed model, which we do not have in Western Australia, for a recovery college. As the member knows, a recovery college aims to support individuals in recovery through creating an education platform. It also aims to reduce significant stigma around mental health and alcohol and other drugs. A number of models exist —

Hon Alison Xamon: The question was about the business case. Are you going to answer the question?

Hon ALANNA CLOHESY: The plan that was coordinated by the Mental Health Commission last year —

Point of Order

Hon PETER COLLIER: Madam President, I am wondering whether the parliamentary secretary is answering a question without notice or answering on behalf of a minister. We need some clarity on that, because we have already had a ruling with regard to parliamentary secretaries responding. I will be interested to know in what capacity the parliamentary secretary is responding.

Questions without Notice Resumed

Hon ALANNA CLOHESY: I will give the answer that was provided to the question lodged on 22 August. I was actually trying to be helpful and provide the member with detailed information, but I assume I cannot do that.

I thank the honourable member for some notice of the question. I am advised by the Mental Health Commission as follows.

(1)–(3) Implementation of the government's election commitments is ongoing. The government is expecting to make further announcements on the progress of delivering election commitments as part of the state budget on 7 September 2017.

COMMISSION OF INQUIRY

Question without Notice 543 — Answer Advice

HON SUE ELLERY (South Metropolitan — Leader of the House) [5.13 pm]: Earlier today the Leader of the Opposition asked question without notice 543. I was given only the first page of the answer. The remaining answer to (2) is —

> Department of Treasury, three; Department of Primary Industries and Regional Development, two; and Government Employees Superannuation Board, one.

EDUCATION — DEPARTMENTAL AMALGAMATION

Question without Notice 452 — Answer Advice

HON SUE ELLERY (South Metropolitan — Minister for Education and Training) [5.13 pm]: I have undertaken to provide Hon Donna Faragher with information on her question without notice 452 asked on 23 August. I now have that information and I would like to provide that to the honourable member.

(1)–(2) The Department of Education has advised me that the scheme of the act, through sections 228 and 229, along with section 151, provides that there may be two chief executive officers and departments assisting the minister with the administration of the act. The wording of these sections also allows for a single chief executive officer to be appointed pursuant to section 229 for the administration of the act other than part 4, and also for the same chief executive officer to be appointed, pursuant to section 151, for the administration of part 4 of the act. These are enabling provisions that do not preclude one chief executive officer having dual authority.

CITY BEACH SENIOR HIGH SCHOOL SITE

Question without Notice 523 — Supplementary Information

HON SUE ELLERY (South Metropolitan — Leader of the House) [5.14 pm]: I have further information for Hon Donna Faragher about question without notice 523, which I undertook to provide.

(1) The meeting was arranged after telephone contact was made by the Town of Cambridge to the Minister for Planning's office. The meeting was for the purpose of discussing issues around City Beach and Kitchener Park.

(2) Following a request from the Minister for Planning's office, one policy adviser from my office attended the meeting.

CHILDREN — SELF-HARM RATES

Question without Notice 528 — Supplementary Information

HON SUE ELLERY (South Metropolitan — Leader of the House) [5.14 pm]: In response to Hon Colin Tincknell's question without notice 528, I can provide the following information. Part (2) of that question was —

> Does the government have any statistics on the rate of self-harm in children who have been involved in custody disputes in the Family Law Court of Western Australia; and, if so, what are the figures?

The answer is no. The Family Law Court of Western Australia does not collect statistics of this type and is unable to provide the data requested.

COLLIE MINEWORKERS MEMORIAL POOL

Question without Notice 556 — Answer Advice

HON SIMON O'BRIEN (South Metropolitan) [5.15 pm]: I asked a question without notice earlier, which I addressed to the Minister for Regional Development. I thank the minister for her response, which she gave as though it was a question without notice. I wonder if I might have, when I stood, given the question to the wrong minister and that it might have been the Leader of the House representing the Premier. I apologise if that was the case. It was question without notice 556 and it was given with some notice. I am surprised that I have not received any form of written reply, which is the normal practice.

HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development) [5.16 pm]: Yes. I gave my answer. Madam President, as you have reminded us very often, the answer is the answer of the minister whom the member asked it of. That was my answer. It was not the answer that I had written down precisely, but I can give the member the copy that I have written down, which will reconfirm those matters.

LEGISLATIVE COUNCIL BUDGET ESTIMATES HEARINGS — ELECTRONIC LODGEMENT SYSTEM

Statement by President

THE PRESIDENT (Hon Kate Doust): I have a letter that reads —

> Dear Madam President
>
> **2017–18 Budget Estimates—Electronic lodgement of questions prior to hearings**
>
> As you are aware, the Legislative Council Standing Committee on Estimates and Financial Operations (Committee) is holding the 2017–18 Budget Estimates hearings from Monday 16 October 2017 to Friday 20 October 2017 inclusive.
>
> In its 71st Report, the Committee advised the Legislative Council that Members may submit a number of Questions Prior to Hearings to any agency through the recently developed Electronic Lodgement System (ELS). I am advised that there is a possibility that the ELS may not initially be available to receive questions from Members.
>
> The Committee requests that you advise the Council that Committee staff will e-mail Members at 8.30am on Friday 8 September 2017. The e-mail will confirm the status of the ELS and instructions for its use. Instructions will also be provided on how to submit questions if the ELS is not operational.
>
> Yours sincerely
> **Hon Alanna Clohesy MLC**
> Chair

PETROLEUM LEGISLATION AMENDMENT BILL 2017

Returned

Bill returned from the Assembly without amendment.

SAME-SEX MARRIAGE POSTAL SURVEY

Statement

HON MARTIN PRITCHARD (North Metropolitan) [5.18 pm]: I note that the postal plebiscite on the broadening of the definition of marriage is to go ahead. I am very pleased to say that I am looking forward to getting my ballot paper and voting in favour.

GOVERNMENT ADVISERS

Statement

HON ROBIN SCOTT (Mining and Pastoral) [5.18 pm]: I would like to make an observation. During my time in this chamber, I have witnessed Hon Stephen Dawson being grilled, barbecued and roasted on three separate occasions. The first time was with Hon Michael Mischin and the second time was with Hon Nick Goiran. Both members had every right to question the minister. What amazed me was the calibre of the advisers. If this is the calibre of advisers the previous government used, it would explain —

Point of Order

Hon DONNA FARAGHER: I do this reluctantly because I appreciate that this is a new member in this house, but it is not customary that we would refer to the advisers because the advice is through the minister. I ask the President to assist the new members in that regard.

The PRESIDENT: I think I will. You are right, Hon Donna Faragher, it is not customary practice to make comments about the advisers who assist ministers, particularly at the committee stage of a bill's progress. If you want to comment, I suggest that you take up any concern privately with the relevant minister. Members in the past have not sought to make public comment about the capacity or the ability of advisers. I say that to you to perhaps assist you as you move on with your statement.

Statement Resumed

Hon ROBIN SCOTT: Understood, Madam President. I finish by saying that I think they also assisted with this latest budget.

Withdrawal of Remark

Hon SUE ELLERY: I think that the way the honourable member just concluded his response is inappropriate and I ask him to think about whether he would consider withdrawing those remarks. I ask him to do that because although he might have a point of view, which he is entitled to, the public servants that assist Parliament are unable to defend themselves if we start attacking them. If the member has an issue that he wants to place on the public record, he can do that about one of us. We are big enough and ugly enough to take it. But I would ask him to consider withdrawing his comments, because we really would not want to go down the path of attacking people who are doing their very best to assist all of us in Parliament through the minister and who have no right of reply, whereas we have a right of reply.

Hon ROBIN SCOTT: Madam President, the Leader of the House is correct and I will withdraw my comments. However, I will be writing to Hon Stephen Dawson.

ROCKINGHAM BEACH PRIMARY SCHOOL — JACQUI O'DONNELL

Statement

HON AARON STONEHOUSE (South Metropolitan) [5.21 pm]: I bring to the attention of the chamber an article in the last edition of *The Weekend Australian*. The headline reads, "Perth school goes Ivy League" and it tells the story of principal Jacqui O'Donnell from Rockingham Beach Primary School. She was recently selected as one of just three principals nationwide over the course of the last four years to attend an intensive professional education program at the Harvard Graduate School of Education. The article explains —

> As part of her commitment to her learning path, O'Donnell applied for the Harvard Club of Australia Education Scholarships, sponsored by the Public Education Foundation, Teachers Mutual Bank, and the Harvard Club of Australia. …
>
> Public Education Foundation executive director David Hetherington says the scholarship is "a way of rewarding school principals who have a commitment to public education and have exhibited a strong capacity for leadership into the future".

In the article, Jacqui speaks in detail about what she gained from the intensive program of lectures, workshops and discussion groups. I recommend that members who have time stop by the library to read the article in its entirety. I am not here to plug *The Weekend Australian*, of course. My real interest is in what it said about the level of schooling we are providing to our youngsters in the Rockingham area. Rockingham Beach Primary School is one of the oldest schools in the south metro area. It was founded in 1895 and by my calculation that puts it in the first 15 public schools to be founded in WA. When we think of Ivy League in Perth, we think of Scotch College or St Hilda's, Wesley College or Presbyterian Ladies College. Rockingham Beach Primary School predates them all.

Ms O'Donnell joined the school in 2013 and has guided Rocky Beach through its first years as an independent public school, which was a wonderful initiative introduced under the previous government and one that I heartily endorse, aimed at giving greater autonomy and flexibility to school principals. I hope this government will prove equally committed to the program. I say that not only because I believe in freedom of choice and enabling the individual, but primarily because we are seeing outstanding results from the independent public school system across the state in none less than Rockingham Beach Primary School.

Since taking on her current leadership role, Ms O'Donnell has overseen some quite astonishing results. We can see that in the National Assessment Program — Literacy and Numeracy results. Details from the school's stable cohort of students—that is the students who undertook NAPLAN in year 3 in 2015 and again in year 5 in 2017—showed that across all tests they have made better than expected progress over the two years. I am especially encouraged to discover that in numeracy, 94 per cent of students made better than expected progress, with an outstanding 55 per cent doubling the rate of progress. That equates to advancing a student's achievement by about 18 months.

As members would imagine, feedback from parents has been extremely positive. It is also important to recognise another key initiative Ms O'Donnell has undertaken, which is included in the article, and that is to engage in a deeper and more meaningful level of family engagement. It is fantastic to see schools trying different things. As we all know, one size does not necessarily fit all. This is something that the Liberal Democrats support. We even have a policy of reforming the catchment system and providing for a school voucher system so that parents can choose what school they send their children to and principals can be given greater autonomy and flexibility.

Jacqui is a very humble individual. When I wrote to her to congratulate her on her trip and on the recognition it entailed, she was quick to praise others and to say that it was a celebration of her entire team's work and a recognition of their willingness to embrace change and to go above and beyond to enhance the students' experiences.

It is wonderful to see and I am proud to see it taking place so publicly in Rockingham. To the whole team at Rockingham Beach Primary School I say: great job and keep it up.

STATE ADMINISTRATIVE TRIBUNAL

Statement

HON COLIN TINCKNELL (South West) [5.26 pm]: Earlier today I asked some questions about a petrol station that is being built in Dunsborough. It has caused a major stir in the community and has resulted in many articles for many months now. It is as though the whole community has come out against the development. I would like to explain our problems with the decisions made by the State Administrative Tribunal.

The decision was based on black and white legal definitions and is a black-letter decision. It did not properly take into account the wishes of the local community, the City of Busselton's long-term plans for the future or the expert opinions of those infinitely qualified in urban development, planning and local government. It is of great concern to us that this has been the direction of the SAT in the past few years. It has become a by-the-letter legal agency, and that is not its intent. Problems arise when one or two lawyers and mediators with no experience in local town planning, urban development or business are able to overrule a decision made by five infinitely qualified professional experts. Town planning and regional bureaucrats are not able to stand up to and defend themselves against a team of QCs. They are meant to be flexible to fit with the local community, and they are not legalistic. Local town planners and local government employees are given rough templates of what planning regulations should look like. They are then adjusted to fit in with local government planning and are not meant to be set in stone or held up to the onslaught of legal technicalities brought on by QCs and black-letter decisions.

Two years ago the state government offered a set of new guidelines and templates for local councils. Many have not even got off the ground or made amendments to them. When local government guidelines conflict with state prescribed ones, the state always wins. After this unfortunate turn of events, we may have to make it a priority to prevent big business and big developers from coming into cities and shires and upending long-term visions for regions and the local community.

DEMONS DISTRICT FOOTBALL UMPIRING ASSOCIATION

Statement

HON MATTHEW SWINBOURN (East Metropolitan) [5.29 pm]: Mine is perhaps a bit more lighthearted than some of the other ones! I had the pleasure of attending last night the annual awards for the Demons District Football Umpiring Association at Lathlain Park. The DDFUA is a community-based association that provides umpires for junior football in the Demons district and for cross-district games that involve the Demons district. I have been associated with the association through my son, whose involvement began as an umpire in 2015. I have now increased my involvement as a member of Parliament by sponsoring the association's awards night last night. I have always been impressed with the DDFUA; its high level of professionalism, pastoral support and dedication to its young umpires has always been exemplary and very impressive.

As members can imagine, football umpiring is not always a pleasant experience for the young umpires. Unfortunately, a small minority in our community and nationwide feel it is within their rights to abuse, attack and, unfortunately, on occasions assault volunteer umpires. They seem not to appreciate that without the umpires there would be no game. The umpires are simply there to see that the rules are followed and the game is fair. The association goes to great lengths to support these young and developing umpires, including some female umpires; hopefully we will see further young female umpires coming into the game. The association has also had some significant success in bringing talented young umpires into the West Australian Football League and the Australian Football League systems, with perhaps its most famous former charges being AFL umpires Dean Margetts and Brett Rosebury, who continue to be involved with the association.

I would like to congratulate the committee of the DDFUA, particularly retiring president Scott Thompson; secretary, Yash Ghangas; treasurer, Kevin Gibbons; and especially I would like to acknowledge the umpire manager, Daniel Gibbons, who has worked tirelessly to make the organisation what it is.

Finally, I would also like to acknowledge and recognise parliamentary colleagues who have also supported the association by each year sponsoring the award that is provided to those umpires who are selected to umpire the grand final. The award is a pewter mug and is presented at the awards night at which the umpires who are umpiring the grand final are announced. As members can imagine, being selected to umpire a grand final is considered to be the peak of junior umpiring and it is reserved for those umpires who have demonstrated consistent high quality in their umpiring. I congratulate the umpires who were selected last night and wish them well for the grand final on the weekend.

I also acknowledge for their support the members who sponsored the award: Hon Kate Doust, MLC; Hon Bill Johnston, MLA; Ms Cassie Rowe, MLA; Mr Steve Irons, MP; and Mr John McGrath, MLA. If they have not done so already, I encourage all members to consider extending their support to their local umpiring associations. They do not always get a lot of love, on or off the field, but they are certainly worth supporting. As I say, not only with football but also with other sports, the games would not happen without the umpires. Again, congratulations to the DDFUA.

NATURAL DISASTERS — WILDFIRES — UNITED STATES OF AMERICA

Statement

HON DIANE EVERS (South West) [5.33 pm]: I will be brief. I just need to take the time to comment on the fact that in the United States at the moment there are hundreds of wildfires burning. It is important to me because I have found out that the home of my brother and his family is under threat. To show members how significant the threat is, his insurance company has sent out a fire truck to protect his home. When I first heard this, I thought, "Gee, I've never heard of that in Australia; it's a new step." But the insurance company has the most to lose financially, so this is just to let members be aware that this is the next step in fire mitigation.

We have a situation in which the US had a wet winter followed by a dry summer—so dry that some places received less than one-tenth of their normal rainfall. In addition, it has been an extremely hot summer there. We can understand why there are fires burning up and down the whole western coast. People are walking around with wet cloths over their mouths, as they did when Mount St Helens blew up some years ago. In Montana alone, one million acres have been burnt so far and the fires are still going. My brother has been told that the fires in the foothills of the Cascade Range, which is where he lives, are expected to be contained by 15 October. From now until then, they will be waiting, wondering and hoping.

It is very serious. The reason this is important is that we live in WA and we know what fire is like. It started out as a very dry winter and now it is quite wet in some areas. We know that things are changing. We have been told for over a decade that we will have stronger, more intense weather events. The other side of the United States is about to have another hurricane. There was one just last week and now they are buckling down for another one. We can sit here and debate forever whether climate change is happening and whether it is manmade, but doing that will not make a change. We are now in the very difficult situation in which we have to make some decisions about how we are going to face the next summer should we be hit with terrible firestorms.

I will leave my comments there and leave members thinking about this issue. The time to act was a couple of decades ago, but we cannot go back in time. The time to act is today. If we can think of anything we can do on an individual, community or statewide basis, or by lobbying federally—whatever it might be—we need to do it today or people will be facing these horrific storms long after we are gone.

FOETAL ALCOHOL SPECTRUM DISORDER

Statement

HON ALISON XAMON (North Metropolitan) [5.36 pm]: I rise because I want to recognise that this Saturday, 9 September, is International FASD Awareness Day. It is held on the ninth day of the ninth month every year. The date was chosen to highlight the importance of the nine months of pregnancy. International FASD Awareness Day was first held in 1999, so awareness of the existence and cause of FASD has increased significantly since that time. For members who do not know what FASD is, it stands for foetal alcohol spectrum disorder. It is the term used for the wide range of negative effects and birth defects that can occur as a result of drinking alcohol during pregnancy. Prenatal alcohol consumption interrupts or alters the normal development of the foetus, including the development of the brain and major organs. The effects of FASD can vary enormously. It is sometimes referred to as the invisible disability because it very often goes undetected. The majority of those with FASD will not have the facial features that are commonly associated with FASD. As a result, FASD can be overlooked or ignored. It is very often attributed to another condition, such as autism or attention deficit hyperactivity disorder, and sometimes it is just blamed on poor parenting or post-birth environments. Although it may be invisible, its effects are certainly life altering. The majority of children and adults who have FASD live with significant cognitive, health and learning difficulties, including problems with memory and attention, cause and effect reasoning, impulsivity, receptive language and adaptive functioning.

There is no cure for FASD, but there are effective interventions and supports that can help lessen the impacts. Importantly, it is 100 per cent preventable. In 2016, the "Australian Guide to the diagnosis of FASD" was published. Much has happened over the last several years. We now at least have a guide to support health practitioners to diagnose FASD, but even with this tool, the diagnosis of FASD is not easy. It is complex and, ideally, it requires a multidisciplinary team of clinicians. Other recent developments include the establishment of two specialised clinics that provide FASD diagnosis and support in metropolitan and regional areas within Western Australia. I note, of course, the fabulous work being undertaken on FASD prevention by the Telethon Kids Institute and others. Some members may have had the opportunity to see some of the research that the institute has been undertaking when we had the presentation on medical research on Tuesday night.

In the last federal budget $10.5 million was committed to reduce the occurrence of foetal alcohol spectrum disorder in high-risk remote and rural communities. We really do need to use days like FASD Awareness Day to recognise the progress that has been made, but we have to recognise the enormity of the challenge ahead of us. FASD continues to represent what I believe is one of our most significant social and public health issues. One of the issues is that FASD is still not recognised in Australia as a disability in its own right. To get disability supports

people must be assessed based on their support needs. The disability sector is concerned that current assessments are overly focused on particularly intellectual impairment, and do not adequately judge the functional impairment experienced by many people with FASD. That means a lot of people who really need it are missing out on support, and we really need to look at amending our assessment criteria to take this into account. The sector is also concerned that, as a result, the ability of the National Disability Insurance Scheme to meet the needs of people with spectrum disorders like FASD is compromised. This is a national concern, not simply a concern within this state. In fact, even being referred for assessment is not easy, particularly for marginalised populations. Too often it is just not happening.

We know that many young people with FASD constantly find themselves in trouble without understanding why. Without appropriate intervention, memory impairment associated with FASD means people have difficulty in learning from their past mistakes. They often make the same mistakes over and over again, despite increasingly severe consequences. Young people with FASD might be able to repeat rules or instructions, but one of the difficulties they have is being able to put those rules and instructions into action. It is therefore not surprising that so many people with FASD end up in the justice system.

I want to make some comments about the Telethon Kids Institute Banksia Hill project, which I personally find very exciting. It was supported by the Department of Corrective Services and the Department for Child Protection and Family Support. It is the first study nationally to assess and diagnose children in an Australian youth custodial facility, and researchers are in the preliminary stages of data analysis. Early results show that 30 per cent to 40 per cent of those assessed have FASD—30 to 40 per cent! These young people have debilitating and lifelong neural developmental impairments that affect their ability to function in society if they do not have appropriate support interventions. I remind members that this is through no fault of their own; they were born his way.

Becoming involved in the youth justice system and particularly being sentenced to a period of detention as a child in itself clearly demonstrates that something has gone terribly, terribly wrong. I don't believe that it could get much worse than that. I think it is really tragic these young people are only now, often at ages of 13, 14 or 15, getting diagnosed with what turn out to be significant neurological impairments. I think that demonstrates how badly we are failing these children. It raises the questions: Why are these disabilities not being picked up earlier? What happens now with those young people in detention once they have received a diagnosis? We know that the specialist services and the supports they need are simply not there in the way they need to be.

Addressing FASD will require a coordinated multifaceted response, and our response to this critical issue cannot be keeping a government department siloed around its response. We need to make sure it is not quarantined in the Health space, although obviously Health needs to be engaged firmly in this work. A whole-of-government FASD plan needs to be developed that includes coordinated prevention activities. We need to remember that FASD prevention should not just be seen in terms of remote Aboriginal communities, which I think some people mistakenly think should be the entire focus. We need to look at early diagnosis and intervention. We now have a tool to diagnose, which is fantastic—it is a really important improvement—but it is still a specialist area. It is really time-consuming and expensive. More work is to be done on screening tools and diagnostic services. Importantly, early recognition and early therapy will minimise the adverse outcomes often seen and help children with FASD to live their best possible lives. It will also be better for the community if we identify these children early on and ensure they get support as soon as possible. We need to give ongoing support, including specific strategies in Child Protection, Police and the justice system. We know that foetal alcohol spectrum disorder is often not noticed until children reach school age when behavioural and learning difficulties start to become far more evident. We need to be able to equip education, health, child protection and justice workers with the tools that they need to determine whether people should potentially be assessed. They also need the tools to support young people who have been diagnosed. Families also need more knowledge, skills and support.

Young people at Banksia Hill Detention Centre are a really compelling example of what happens when we do not have an effective, overarching strategy to address FASD. As babies with FASD continue to be born, grow up and grow old, our community will continue to bear the extraordinary costs of FASD. We are bearing those costs across our health, education, disability and justice systems and with the enormous, often tragic, personal costs to families who are living with FASD.

On International FASD Awareness Day, I encourage members to turn their minds to how we can better address the crisis of FASD in Western Australia. We have come a long way but we still have an awfully long way to go.

The PRESIDENT: Are there any further members' statements? Hon Robin Scott, you have already done one tonight; you get only one go! You will have to wait until next week.

House adjourned at 5.47 pm

QUESTIONS ON NOTICE

Questions and answers are as supplied to Hansard.

DEPARTMENT OF HEALTH — STAFF — WORKING WITH CHILDREN CHECKS

98. Hon Nick Goiran to the parliamentary secretary representing the Minister for Health:

I refer to the Ministers' answer to my question on notice No. 22 in which the Minister informed the House that all 24,630 employees in child-related work have either a current Working with Children Check ("WWCC") card or an application pending, and I ask:

(a) was that information correct as at 24 May 2017, being the date the question was asked;

(b) was that information correct as at 28 June 2017, being the date the question was answered;

(c) as at 24 May 2017, how many of these employees did not have a valid WWCC card or an application pending;

(d) as at 24 May 2017, how many employees had an application pending;

(e) further to (d), on what date were the applications lodged;

(f) as at 28 June 2017, how many employees had an application pending; and

(g) further to (f), on what date were the applications lodged?

Hon Alanna Clohesy replied:

I am advised that:

For the WA health system, comprising of Child and Adolescent Health Service (CAHS), Department of Health, East Metropolitan Health Service (EMHS), Health Support Services (HSS), North Metropolitan Health Service (NMHS), South Metropolitan Health Service (SMHS) and WA Country Health Service (WACHS):

(a)–(b) The information was correct as at 16 June 2017 for the WA health system.

(c) Unable to provide data as at 24 May 2017 for the WA health system.

WACHS, EMHS, CAHS, SMHS and NMHS further advise, as at 16 June 2017, all employees then undertaking child-related work as defined in the *Working with Children (Criminal Record Checking) Act 2004* had a valid WWCC card or an application pending.

(d) Unable to provide data as at 24 May 2017 for the WA health system.

WACHS further advise, as at 15 June 2017, 222 employees had an application pending.

SMHS further advise, as at 15 June 2017, 78 employees had an application pending.

(e) Unable to provide data as at 24 May 2017 for the WA health system.

(f) CAHS advise, as at 28 June 2017, 2 employees were recorded as application pending.

EMHS, HSS, SMHS, NMHS and WACHS advise they are unable to provide reliable data as at 28 June 2017.

(g) CAHS advise the dates for the two applications lodged were 23 March 2017 and 28 March 2017.

EMHS, HSS, SMHS, NMHS and WACHS advise they are unable to provide reliable data as at 28 June 2017.

WOODSIDE — KARRATHA GAS PLANT — INCIDENT

99. Hon Robin Chapple to the minister representing the Minister for Mines and Petroleum:

I refer to my question without notice, asked on Thursday, 11 May 2017, concerning a burn-off incident at Woodside Energy's Karratha Gas Plant, and ask:

(a) will the Minister please table the report following Woodside's investigation into the incident;

(b) if not yet completed, when does the Minister expect it to become available; and

(c) will the Minister table the report in this place when it is completed?

Hon Alannah MacTiernan replied:

(a) No.

(b) The requested report was received by the Department of Mines, Industry Regulation and Safety in August 2017.

(c) No (in accordance with past practice).

WOODSIDE — KARRATHA GAS PLANT — INCIDENT

100. Hon Robin Chapple to the minister representing the Minister for Mines and Petroleum:

I refer to my question without notice, asked on Tuesday, 27 June 2017, concerning a burn-off incident at Woodside Energy's Karratha Gas Plant, and ask:

(a) will the Minister please table the report following Woodside's investigation into the incident;

(b) if not completed, when does the Minister expect it to become available; and

(c) will the Minister give his word the report will be tabled in this place when it is completed?

Hon Alannah MacTiernan replied:

(a) No. The Department of Mines, Industry Regulation and Safety advises that tabling the report is not past practice.

(b) The report will be completed when the department agrees with Woodside that the completed incident investigation findings and actions are appropriate. This is expected to be in September 2017.

(c) No (in accordance with past practice).

FORESTRY — KARRI REGROWTH THINNING

101. Hon Diane Evers to the minister representing the Minister for Forestry:

Regarding the thinning of regrowth karri, for the year 2016:

(a) how many cubic metres of logs were extracted in total;

(b) how many cubic metres of extracted logs were:

  (i) karri; and

  (ii) other (please specify);

(c) how much of the volume was:

  (i) first and second grade karri sawlogs;

  (ii) other grade karri sawlogs (please specify);

  (iii) karri chip logs;

  (iv) first and second grade marri sawlogs;

  (v) other grade marri sawlogs (please specify);

  (vi) marri chip logs; and

  (vii) other (please specify); and

(d) what was the volume estimated to be available of:

  (i) first and second grade karri sawlogs;

  (ii) other grade karri sawlogs; and

  (iii) karri chip logs?

Hon Alannah MacTiernan replied:

(a) 49,870 cubic metres.

(b) (i) 47,693 cubic metres.

  (ii) 1,869 cubic metres of marri and 308 cubic metres of yellow stringybark.

(c) (i) 3,590 cubic metres.

  (ii) 1,174 cubic metres of laminated veneer lumber.

  (iii) 41,169 cubic metres.

  (iv)–(v) Nil.

  (vi) 1,809 cubic metres.

  (vii) 308 cubic metres of yellow stringybark small chiplog.

(d) (i) 4,763 cubic meters.

  (ii) Nil.

  (iii) 52,245 cubic metres.

MINES AND PETROLEUM — WARDEN'S COURT — EXEMPTIONS FROM EXPENDITURE

102. Hon Robin Scott to the minister representing the Minister for Mines and Petroleum:

(1) With reference to the Mining Warden's Court decision, Blackfin P/L v Mineralogy PL WAMW19, dated 4 October 2013, concerning applications for exemptions and applications for forfeiture made to the Department of Mines and Petroleum (DMP) I ask, can the Minister advise whether DMP policy guidelines and Form 5 Operations Reports now make clear the requirement of the *Mining Act 1978* and *Mining Regulations 1981* that expenditure must be "on or in connection with mining on a mining tenement" before it can be claimed as expenditure in Form 5 Operations Reports?

(2) If the answer is in the negative, will the Minister direct the DMP to change both the policy guidelines and the text of Form 5 Operations Reports to clearly state that expenditure must be "on or in connection with mining on a mining tenement" before it can be claimed as expenditure in Form 5 Operations Reports?

(3) Does the Minister agree that the provisions of Regulation 96C of the *Mining Regulations 1981* do not entitle the holder of any mining title to claim expenditure for administration and overheads by simply applying the formula of 20 per cent?

Hon Alannah MacTiernan replied:

(1) No.

(2) This information is laid out under the definition of "expenditure conditions" in section 8 of the *Mining Act 1978* and is stated in Regulations 15, 21 and 31 of the Mining Regulations 1981. In addition, the Form 5 Operations Report states what are non-allowable expenditures and policy guidelines and the Form 5 Operations Report are currently being updated by the Department of Mines, Industry Regulation and Safety.

(3) Yes.

HEALTH — MEDICAL TYPING SERVICES

186. Hon Alison Xamon to the parliamentary secretary representing the Minister for Health:

I refer to the provision of medical typing services, and ask:

(a) will the Minister stop further outsourcing of medical typing services to private companies;

(b) if no to (a), why not;

(c) will the Minister bring back in-house the provision of medical typing services;

(d) if no to (c), why not; and

(e) if yes to (c), when will this occur?

Hon Alanna Clohesy replied:

I am advised that:

(a) Outsourcing of medical typing services will cease.

(b) Not applicable.

(c)–(e) The provision of medical typing services is under consideration to determine how they may be delivered by directly employed staff.

POLICE — DOMESTIC VIOLENCE — TELSTRA PARTNERSHIP

307. Hon Nick Goiran to the minister representing the Minister for Police:

I refer to the Minister's announcement on 22 August 2017 about a partnership between Telstra and Western Australia Police to help victims of domestic violence, and I ask:

(a) what documents have been exchanged between Telstra and Western Australia Police that have given rise to the existence of this partnership;

(b) further to (a), will the Minister table the documents;

(c) if yes to (b), when; and

(d) if no to (b), why not?

Hon Stephen Dawson replied:

(a) The partnership is an informal, local initiative commenced after a Telstra Community Engagement Manager approached a police officer within the Western Australia Police Force State Family Violence Unit seeking involvement in a community engagement project within the realm of combatting family violence.

No documents have been exchanged between Telstra and the Western Australia Police Force with respect to this initiative. However, Telstra have provided the phones and representatives of Telstra were pleased to attend and speak in support of initiative at the press conference held at Police Headquarters on 22nd August 2017.

(b–(d) Not applicable.