

McGOWAN GOVERNMENT — BUDGET SURPLUS AND SERVICE DELIVERY

Motion

HON DR STEVE THOMAS (South West — Leader of the Opposition) [10.04 am] — without notice: I move —

That this house —

- (a) notes the prospective record budget surplus expected to be announced for the 2021–22 financial year in today's budget;
- (b) notes that the current massive revenues coming into the state's coffers are due to high iron ore revenues, the GST floor put in place by the federal coalition government and high state taxes and charges;
- (c) notes the government's inability to deliver services, infrastructure and projects in a cost-efficient and timely manner; and
- (d) calls on the state government to invest its incoming wealth in better service delivery, economic reform, paying down debt and supporting the community to manage cost-of-living rises.

Welcome to budget day, everybody! This should be an interesting day. In my limited time, I would like to make a few pointed comments about this government's management of the economy, the fiscal economy and how it sees itself going forward, and to look a little bit at the past and what the government said it would do versus what it is actually doing.

Let us get a couple of things down straight. Why is the government looking at the biggest boom in Australia's history for any state jurisdiction? Why does it have the biggest surpluses of any state jurisdiction?

A government member interjected.

Hon Dr STEVE THOMAS: The biggest surpluses; we will come to that. Why does it have the biggest surpluses? There is a COVID link, but it is not because the government managed COVID. It is because it got a benefit out of COVID. This is the one jurisdiction that actually got a benefit out of COVID. It made money out of COVID. The world has responded with massive infrastructure stimulus packages, driving up the cost of infrastructure and driving up the cost of steel, thus driving up the price of iron ore. That is what this government has enjoyed.

However, it is not just iron ore that has driven these massive revenues to the state of Western Australia. There has also been a significant increase in GST payments and a significant increase in own-state taxes and charges. This government is making a motza. This government has massive revenues and the question is: what is it doing with it? How is it using the massive revenues it has accidentally stumbled upon, not by strategy, not by planning, and not by management, but simply by the good fortune of high iron ore prices? The government can claim credit for one part of that. It would be fair to give the government credit for higher taxes and charges; I think that would be reasonable. That would be fair enough, because that is the one part that this government takes as a strategy or policy. Higher taxes and charges; that is the one bit that we can credit the Premier; Treasurer for. The rest of it he just happened to stumble over.

The current boom started before COVID, in 2019. I remind members of my question of February 2019: has the government modelled iron ore prices staying above \$US90 a tonne? Do members remember that question? I have mentioned it a few times in Parliament. The answer that came back from the then Treasurer was that the government had not, because the chances of iron ore staying above \$US90 were, and I quote, "highly unrealistic". It has not been below \$US90 a tonne very often in the last three years; this is a boom, and it started before COVID. It started at the beginning of February 2019 —

Several members interjected.

The PRESIDENT: Order! Happy Thursday!

Hon Dr STEVE THOMAS: Thank you, President. I do love Thursday!

There are massive revenues. Of course, the government should be thanking the Morrison federal Liberal government for the floor put in place for the GST, which was worth an additional —

Several members interjected.

The PRESIDENT: Order!

Hon Dr STEVE THOMAS: It was worth an additional unexpected \$1.9 billion over the previous financial year. Let us look at 2021. We had a \$5.8 billion surplus in this state—the biggest surplus ever seen in any state, even in the larger economy states with bigger populations—based entirely on revenue. There was an increase in GST in

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the year in which we saw the biggest surplus in Australia's history for any state jurisdiction. The government has a massive amount of revenue.

Several members interjected.

The PRESIDENT: Order! Leader of the Opposition, rest your vocal cords. Settle.

Hon Dr STEVE THOMAS: Thank you, President, for your protection.

Iron ore has massive revenues. GST is a massive solution. Own taxes and charges are also up something like \$800 million from the previous financial year, which had the biggest surplus. These are massive amounts of revenues and duties. Payroll tax is through the roof. This government has a massive amount of revenue, but it cannot deliver on its promises or its commitments. What is the threat that this government faces? It is the inability to deliver. I will cut the government a bit of slack here because I am generally very friendly towards the members opposite and I like to give them something to hang off with, so let me say this: there are probably some reasonable reasons why the government has been unable to deliver infrastructure. If we look back over the last decade or so, governments have increased their potential spend on infrastructure but they have never been able to deliver the amount. Over the last decade, governments of both persuasions have been able to get between \$5 billion and \$6 billion out the door, but when the McGowan government had this boom, it started to tell everybody that it would spend \$8 billion or \$9 billion on infrastructure. Guess what happened? It could not do it. It could not get the money out the door. Why? It was because it could not find the labour, it did not have the materials, and there is a labour shortage almost across the board. This government in its ambition to get infrastructure out there cannot do so.

Hon Stephen Dawson interjected.

Hon Dr STEVE THOMAS: No; I am cutting the government some slack here. I am saying that with the best of intent, I do not think any government could have delivered \$8 billion or \$9 billion worth of infrastructure. The member's government should have known that. Treasury should have advised it of that. When the government goes out there and says that it has a massive infrastructure program, it does have a massive infrastructure budget item but it is not actually delivering massive infrastructure. It will take the government years, on top of its current expectations, to deliver this level of infrastructure.

The McGowan government has a problem with delivery. It does not really matter where we look, there are very few projects that will come in on time and on budget. Let us have a look at the keynote Metronet project, which I am sure other members will talk about. Metronet was the \$3 billion project that became a \$6 billion project then a \$7 billion project and is probably heading to be an \$8 billion project. Major projects are blowing out and the government cannot get them out the door. There is no point sticking what I think will be another \$6 billion to \$7 billion surplus into infrastructure. The government cannot build the infrastructure that it already has in its budget. The government is years behind and will take years to catch up.

So what will the government do? It will try to find other ways to put this money aside. What is the government's other option? It could try to increase staffing, for example, and there has been an increase in staffing. I note that an answer I got back from the Leader of the House this week suggested that the staffing budget is up in the billions of dollars, so the government does have extra staff in place and that is good. But it is limited to how much new staff it will be able to spend money on because there is a shortage everywhere of not only materials, but also labour. There is a shortage of teachers. There is a shortage of doctors, and there is a shortage of nurses. The government might be able to squirrel a little bit more money into the delivery of services, and that is not necessarily a bad thing, but it is not going to be able to put its budget surplus away.

What of the government's other options? There are two options that I want to talk about. The first one is the need to pay down debt, and I think that is critical. The second one is the option that I think the Premier, who is the Treasurer, is going to take in that he is going to squirrel the money away for his future use, and undermine the financial position of the state of Western Australia. In relation to that, I start by saying this: the current debt levels of Western Australia do not belong to the Treasurer who is the Premier.

Hon Stephen Dawson interjected.

Hon Dr STEVE THOMAS: You make a really good point here, minister. The minister might learn something here. He makes a really good point. How many former ministers or leaders does he think are being sent bills for any of that expenditure? None of them. Does the minister know why? Guess who owns the debt? The people of Western Australia own the debt. So what is the government doing instead of looking after the people of Western Australia? The McGowan government is looking after its own political interests.

Hon Stephen Dawson: That's nonsense.

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Hon Dr STEVE THOMAS: I am glad to hear the honourable member say “nonsense” because we are going to look at it in a little bit more detail and I am happy to. What did the McGowan government members while in opposition have to say about their plans for debt?

An opposition member: They had a lot to say!

Hon Dr STEVE THOMAS: Yes, they had a lot to say. They were vociferous in their criticism, but they also had a plan, honourable members. The members of the Labor Party had a plan, and the plan was enunciated on 11 February 2017, which was about a month before the 2017 election, on this lovely letterhead with a picture of Hon Ben Wyatt sitting on top. This is the shadow Treasurer’s media release of 11 February 2017.

Hon Stephen Dawson: Ben who?

Hon Dr STEVE THOMAS: Hon Ben Wyatt—who? The minister might hear his name a bit more!

Hon Ben Wyatt said that the McGowan government would legislate to establish the debt reduction account. What does this media release say they would do? This is a great line. I will highlight it because I will seek to table this in a bit so that *Hansard* can get this absolutely right. What did Hon Ben Wyatt say in February 2017? I just have to find the right section of it. He said —

The legislation will see 50 per cent of iron ore royalty revenue directed into the new Debt Reduction Account when WA’s GST relativity returns above 0.65 and the iron ore price is more than \$US85 per tonne.

That was the promise of the Labor Party in opposition. It promised half of iron ore royalties when the relativity is above 0.65 and the iron ore price is above \$US85. It continues —

“Never again can we have a Government that foolishly assumes that windfall revenues from a short term spike in commodity prices is permanent and forms part of the permanent spend of the Government”

It also says—I just have to find the right line for this one; I will find it in a second.

Several members interjected.

Hon Dr STEVE THOMAS: The government has been lucky in the budget.

Hon Stephen Dawson: You probably can’t find it because it doesn’t exist.

Hon Dr STEVE THOMAS: No. I will find it directly.

So what did the Labor Party say? It said that it would put 50 per cent of iron ore royalties into the debt reduction account. How much iron ore revenue do members think has gone into the debt reduction account? None! But the government’s promise was 50 per cent of iron ore royalties. The 70¢ floor in the GST started in 2019–20, so it has been above 0.65 since then. I am sorry; I am a little disorganised today. I just want to get this right. So with GST at 70¢ and the iron ore price at above \$US85 a tonne—it has barely been under \$US85 a tonne in that period—zero dollars went to the debt reduction account. The Mark McGowan and Ben Wyatt promise —

A government member: Hon Mark McGowan.

Hon Dr STEVE THOMAS: The Hon Mark McGowan promise—thank you—was for 50 per cent of iron ore royalties. In 2019–20 the total iron ore royalty income was about \$7 billion. In 2020–21, it was about \$11 billion, and I would expect it to be about \$10 billion this year. If the Labor government lived up to its promise, the debt reduction account would have had half of \$28 billion run through it—\$14 billion. The government could have paid down \$14 billion of debt, but it is not interested in that. That \$14 billion would have had a significant impact on general government net debt—it would have potentially paid off a bit over half of it—but that is not what is happening. What is happening? How is the government going to manage these things? It is going to announce today some cost-of-living expenditure, which I welcome—\$400 for every household. That is around a \$450 million commitment—nearly half a billion dollars. I welcome that; that is a good commitment. I welcome it so much that I pretty much announced it a week ago! I announced it again yesterday. I announced it in the opposition pre-budget presentation. I even put in the \$400. I wondered why the Premier had taken a week to get there. The \$400 is actually not bad; we welcome that contribution. That is out of a \$6 billion to \$7 billion surplus so the government could do more, but that is a step in the right direction.

What has this government done with this plethora of wealth? It has hidden the money away for future use. The government has been developing lots of special purpose accounts. There are a whole bunch of new special purpose accounts. The minister will get some more questions on this over the next few weeks. I asked a question during the last sitting week and was told that there is \$19 billion sitting in special purpose accounts. Not many of those accounts get listed in the budget. That is a massive amount. What the government is doing is squirreling this money away. That is why it is the money bin. The government is not even necessarily squirrelling it away for the rest of this parliamentary term, because it already has money set aside in infrastructure that it cannot get out the door

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anyway. What the government is doing is squirreling this money away for its future political benefit, so that in future parliamentary terms it can try to look better than it is. It cannot get infrastructure out—it cannot get it built on time or on budget—but it is still trying to squirrel money away for the future. What is wrong with that? It is this: the debt that sits in this state is debt that is owed by the people of Western Australia.

This government will have the best opportunity in probably a hundred years to have a significant impact on this debt. This is the biggest boom that this country has ever seen. It is a hundred-year boom that this government has got. When will the government pay down debt if it does not do it when the money is rolling in? Even Keynes, for all those lefty economists out there—he was not completely left but also not completely right; he is not as bad as the modern monetary theorists—said in his classic theory that you borrow and spend when you do not have money, but you pay it back when you do. Keynes would roll over in his grave today if he looked at what the McGowan Labor government is doing, because it has thrown his economic policy out the window—it is not paying back debt when it has the greatest opportunity to do so. Let me remind members who paid off the federal Hawke and Keating debt—\$97 billion or \$98 billion of debt. Who paid that off? Was it a Labor government that went back and had to pay that off? No. Debt gets paid off when one has the capacity. This government has the capacity, but it is not interested in paying down the debt while it can. Government members are interested only in their own political futures.

Several members interjected.

The PRESIDENT: Order! Leader of the Opposition.

Hon Dr STEVE THOMAS: Thank you, President. Government members are interested only in their own political futures. The government has this massive opportunity. It cannot do much with infrastructure, it can do a limited amount with wages and it can offer some cost-of-living relief, which has now been announced and is probably the highlight of the budget today. The government could reform the economy, but I expect to see very little on that, because it has shown no appetite to address major taxes, such as payroll tax, that are through the roof. The government is not going to look at or do any other economic reform. It is going to look a little at providing cost-of-living relief, which is good and which I welcome, and then it is going to try to squirrel away the money in the Premier Mark McGowan Scrooge McDuck Money Bin for future use. In the meantime, he is going to be rolling in it, because he is rolling in cash, President. He will be rolling in even more cash this afternoon!

A member interjected.

Hon Dr STEVE THOMAS: Yes; it is not the first time.

Hon Dan Caddy: Point of order!

Hon Dr STEVE THOMAS: The member has called a point of order on me before, but it is a reference to him being like that rather than calling him exactly that name. So, like Scrooge McDuck, the Premier will be rolling in the money bin, with \$20 billion worth of surpluses over a five-year period—something no state has seen before or will ever see again.

A government member interjected.

The PRESIDENT: Order!

Hon Dr STEVE THOMAS: He is wasting the opportunity to do proper economic reform and manage debt because he thinks he is more important than the economy and people of Western Australia. It is a disgrace!

HON STEPHEN DAWSON (Mining and Pastoral — Minister for Emergency Services) [10.25 am]: President, I am not normally here on a Thursday morning. My colleague the Minister for Regional Development is normally here, so I am going to try to channel her today.

Several members interjected.

Hon STEPHEN DAWSON: I listened to that nonsense from the Leader of the Opposition for the last 20 minutes. For goodness sake, he must have been living under a rock for the last two years! We have just been through the biggest pandemic in the history of the world. We have got Western Australia through that—absolutely through that. The government cannot keep the Leader of the Opposition in this place happy. If it spends money, it gets in trouble from him; if it does not spend money, it gets in trouble from him. He is never happy. He never admits that this government has been the best government in a very, very long time.

Hon Dr Steve Thomas mentioned the debt reduction account. When we came to government and found how bad things were and how some of his mates in this room had left the state economy, we had to make some very tough decisions. We had to pay off your debt! As I have said previously, the previous government spent like drunken sailors.

Hon Dr Steve Thomas interjected.

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Hon STEPHEN DAWSON: I thought you were going to say something, President, because I could not hear myself because of the interjections from the far side.

The PRESIDENT: Indeed; I could not hear myself, either. Please continue, Minister for Emergency Services.

Hon STEPHEN DAWSON: Thank you, President. We came in and we had been left the worst set of books that any government had been left—by your lot. We hear in the media that the Liberal Party is the only party that can balance the books and keep the economy going. What a load of nonsense! We have shown that it is Labor governments in this state that balance the budgets, not your mob. I will even quote from the Deloitte Access Economics *Business outlook* from March this year. It says —

Western Australia can lay claim to being among the strongest economies in the world ...

WA's hard border was vital to its relative success through the first two years of the pandemic: by keeping out COVID to the greatest extent possible, it avoided much of the adverse impact of lockdowns and other restrictions on jobs and economic activity seen in other states and territories.

That is what the outlook said. That is true, because we managed it properly. We kept the community in this state safe. We kept not just the state economy but also the national economy going. We kept the national economy going for the last couple of years. We have heard from the Leader of the Opposition about the GST floor. It is great; we do get 70¢ in the dollar from the GST, but it is only 70¢. No other state or territory gets less than 70¢ in the dollar. For goodness sake, it is as if we should be thankful to Mr Morrison! We do not get our fair share! It is your mob who keep complaining. We should be happy with 70¢ in the dollar! Iron ore should be treated like everything else and then we would get our fair share, but it is not.

I have a few points that I want to make, after getting that off my chest. As I was saying, the Leader of the Opposition must have been living under a rock for the last two years. I have to say that he is better than most, because his colleague down there, the Leader of the Liberal Party, is hopeless on this stuff. Hon Dr Steve Thomas has at least given credit to the government this morning for the \$400 electricity credit that people will be getting. The leader down the other end would not do the same thing. The Leader of the Opposition said in this place recently that Mark McGowan was leaving future generations, who will not be in an equivalent boom, to pay down the debt that he is refusing to. This is absolute galling, because when the Liberals and Nationals took on government, they took debt from \$3.6 billion onto a path towards \$44 billion!

Hon Dr Steve Thomas interjected.

Hon STEPHEN DAWSON: That is what you were doing. It was reckless spending. It was not only reckless spending —

The PRESIDENT: Order! Settle. The Minister for Emergency Services.

Hon STEPHEN DAWSON: We saw not only reckless spending, but also incompetent decision making.

As the Premier has confirmed, the budget will show that net debt will fall again this year. For the first time since 2015, when the Liberal–National government left us on a trajectory to \$44 billion worth of debt, net debt will be under \$30 billion. Before this budget, the McGowan government had already paid down the Liberal–Nationals' debt by \$11 billion by 2017. We have not been able to put as much into debt reduction because we have been paying down the Liberal–Nationals' debt. Absolutely we have! By paying down the Liberal–Nationals' debt, we saved Western Australians more than \$2.5 billion in wasteful interest costs over four years because we have saved the economy money. Absolutely we have! That is the advice of the Under Treasurer, not the honourable Leader of the Opposition, who is a vet, not an economist.

Several members interjected.

The PRESIDENT: Order! Minister for Emergency Services.

Hon STEPHEN DAWSON: Let me remind the house that the advice of the Under Treasurer is that we have been paying down the Liberals' and Nationals' debt and we have saved Western Australians more than \$2.5 billion in wasteful interest costs over four years. As I was saying, that is the advice of the Under Treasurer, who is an economist, not a vet. This is a saving of about \$950 for each Western Australian.

As we have seen with the Reserve Bank of Australia's recent rise, it is responsible financial management to pay down debt. Given the volatility of international interest rates, reducing the Liberal–National debt burden will shield Western Australia from increasing debt repayments. We know that when debt gets out of control, it can have a huge impact on the budget bottom line. One of the commonwealth's largest spends is paying off the interest on its debt. Its interest costs are expected to rise to almost \$25 billion a year over the next four years. That is more than the annual cost of disability pensions and about three-quarters of the annual cost of the aged-care system and the funding to the states for public hospitals.

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Who do we listen to? There are inconsistencies in the Liberal Party. I alluded to that earlier. Do we listen to Hon Dr Steve Thomas or the Leader of the Liberal Party in the other house? They both say different things. I give the Leader of the Opposition credit for acknowledging this morning that the electricity credit is good policy, when he said —

“It is the simplest most obvious way that the premier can put some money back into people’s pockets and I would support that. I think that’s a good outcome for everybody.”

I congratulate the member for saying that. What did the Leader of the Liberal Party, David Honey, in the other place think? When we announced the \$600 credit, he said in the Legislative Assembly on 14 October 2020 that it was —

a disgraceful waste of a precious resource ... It will do little in the short-term and absolutely nothing in the long-term to help people in this state.

That is chalk and cheese. I agree with the Leader of the Opposition in this place because I think he knows more than the leader in the other place.

On freezing utility costs, Hon Dr Steve Thomas went on in his press conference on 10 May and argued that an electricity credit was better than freezing utility costs, saying —

A \$400 rebate would be cheaper than freezing charges completely ...

...

... and I would support that.

I thank the member for saying that. The Leader of the Liberal Party in the other place had a different view, telling 6PR on 11 May —

There is no excuse to see a single increase in fees and charges.

Again, who do we listen to? Do we listen to Hon Dr Steve Thomas or do we listen to David Honey from the other place, who has had derogatory comments made about him by members on his own side? The fact is that the Liberal and National Parties never froze utility prices when they were in government. In fact, they never even kept them at or below inflation.

Let me turn to a few other things that I want to get on the record this morning. Let us talk about Western Australia’s economy. Western Australia’s economy is not only the best in the nation, but it is among the best in the world since the COVID-19 pandemic began. Throughout the pandemic, it has been shown that those countries that experienced the best public health outcomes also experienced the best economic outcomes. Earlier I briefly touched on the fact that the Leader of the Opposition might have been living under a rock for the past two years. He was talking about the debt reduction account. We have delivered about \$10 billion worth of measures in response to the COVID-19 pandemic in Western Australia. To date, nearly \$2.3 billion has been spent on frontline services to keep us safe, including hotel quarantine, COVID-19 testing, medical equipment, the vaccine rollout and border controls. Around \$2.7 million has been provided to support Western Australian businesses and households throughout the pandemic, with about \$2.5 million of that already spent. That included industry assistance grants, electricity credits, tax relief, fee waivers and more. We will continue to provide further support as required because we are not through this yet. As much as people on the far side will tell us that we are, we are not. Something like 16 500 cases of COVID were reported today. It is still in the community.

Hon Dr Steve Thomas interjected.

Hon STEPHEN DAWSON: I am not saying that the member said that; I said that people on the far side say COVID is gone, we should get rid of everything and we do not need restrictions anymore. It is out there. Tragically, there were six deaths in Western Australia today. Although the number of people in ICU is still very, very low, which is good, that is thanks to how Western Australians have responded. Under the leadership of this government, they have responded well. The fact that our third-dose vaccination rate is 80 per cent is quite extraordinary, and that is a benefit. The figures show that 27 per cent of those people who are hospitalised have not been vaccinated. I think about only one per cent of Western Australians have not had a vaccine. It shows that if people get a vaccination, they are less likely to get sick. I am not saying that we will all escape it but we are less likely to get sick.

We have spent an extraordinary amount on the COVID-19 response. We have spent almost \$4 million on initiatives to continue the rollout as part of our plan to drive our response and social and economic recovery. That includes hundreds of projects to drive industry development, investing in schools and TAFEs, building community infrastructure and so much more.

The 2021–22 *Government mid-year financial projections statement* included a record \$32.7 billion infrastructure program over the next four years. That high level of investment will provide a pipeline of infrastructure work that will benefit Western Australians long into the future. This includes a record \$10 billion investment in regional infrastructure because the regions deserve their fair share. Let me go through some of our funding commitments

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from the midyear review. I will not release what is in today's budget; members will have to wait until two o'clock to hear me speak. I am not giving members any secrets this morning.

The midyear review comprised an additional \$1.3 billion for health and mental health services across the state, funding more beds and doctors and nurses and easing pressure on emergency departments. This increased the total new spend on health and mental health in the 2021–22 budget and midyear review to \$3.2 billion—the largest ever increase. We had \$1.2 billion for priority transport projects, some jointly funded by the commonwealth, including the Midland station, the Victoria Park–Canning level crossing removal and the Byford rail extension as part of the Metronet program of works. Metronet was an election commitment that we made and that we are delivering for the people of Western Australia. We had extra money for the public sector wages policy—\$560 million that came on top of the \$631 million worth of provisions in the 2021–22 budget. We had \$300 million to diversify the Western Australian economy by upgrading common-user infrastructure to support the proposed \$4.5 billion Perdaman project in the Pilbara. We had \$186 million for the Reconnect WA package to attract tourists, international students and visitors and skilled workers through the safe transition plan. We had money for hydrogen hubs and we had money for COVID-19 test isolation payments to support casual workers. We have done extraordinary things.

A few things about the budget this year have been released so far. I am happy to remind members about those. On 9 May, we announced the emergency department package, amounting to \$251.7 million, with 17 initiatives. That included \$18.2 million for real-time data capability; \$3 million for the planning of the State Operations Command Centre; \$55.8 million for registered nurses and 15 emergency department waiting rooms, so they can be staffed 24/7; and \$74.1 million to care for long stay patients for ED resources and beds, including 120 aged-care transition beds. We extended the disability transition care pilot and the long stay patient fund to support individual patient discharge needs. We had funding for additional transitional accommodation program places. We had \$55.2 million for telehealth services that provide patient care outside of EDs. We had infrastructure investments, with an extra 342 new beds opened since September last year in our hospitals. That was part of 530 new beds to be opened by the end of the year. We had medical imaging equipment replacement programs. We had money for stage 1 of the digital medical record keeping in the hospital system; more money for new ICU beds at Sir Charles Gairdner Hospital; and more money for the reconfiguration of the mental health services and the Graylands redevelopment. We have announced \$2.5 million for a business case for the proposed comprehensive cancer centre. In the regions, the member for Albany has lobbied for the Albany general dental centre; and the members for Pilbara and Kimberley have all done well. We keep delivering.

HON TJORN SIBMA (North Metropolitan) [10.40 am]: I rise to speak in support of this motion, which is well structured, polite, and focused on economic reality. However, I think it is missing one limb, perhaps not something that is debatable. I have absolutely enjoyed the conduct and the response provided by the Minister for Emergency Services. If I could make a recommendation to the government, in the absence of the Minister for Regional Development, whose exchanges I enjoy, this is an exemplary performance of a government member engaging with the motion. All the points he provided were debatable.

Hon Dr Steve Thomas: Highly debatable.

Hon TJORN SIBMA: They were driven, at least, by some facts and some measure of reality, and a tangible quality that one can wrestle with. That is exceptionally helpful.

To get rich is glorious, and the budget to be brought down at 2.00 pm —

An opposition member interjected.

Hon TJORN SIBMA: I have got my ticket in, and I will still turn up here, because what more could I do with myself on a Thursday morning? There are plenty of other things I could be getting on with, but how could I take myself away from the joy of the company of honourable members in this chamber?

An interesting facet of this motion is obviously that the government is rolling in cash, and that is a wonderful thing for the government and the community, and it could be a wonderful thing for the people of Western Australia into the future if the government seizes the mantle. The government has an extraordinary opportunity within its grasp. I make no categorisation of anyone's capacity, but the backwards focus in the course of this debate has disappointed me. It is almost axiomatic that the government should seize this opportunity. Take this as an injunction and serious commitment, but this is an opportunity for the government to elevate its performance.

I want to focus on part (d) of the motion. A trigger phrase for me is "economic reform". I go on about how this is the most used and abused term in the political lexicon, because all change is dressed up as reform, but what is reform? What reforms could the government be undertaking? This is an opportunity to restructure the way the government goes about doing business. The government has addressed this issue, and spoken about reform, particularly in the approvals space—the conduct and performance of regulatory agencies.

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A promise of excellent reform was embedded in the amendments to the Environmental Protection Act that the Minister for Emergency Services, as Minister for Environment, brought in and passed in a very professional manner in this chamber about two years ago. Embedded in that was a series of regulatory changes, some of which have faltered. I want to focus on one. I use this as an emblem of how the government overall is not quite getting it right. One of the changes that was brought about was the introduction of user fees for the conduct of environmental impact assessments for proponents. The costing methodology and pricing model was developed in a largely secretive way. There was some post facto consultation, but effectively the determinants and the structure of that model had already been set. We now have a model categorised by the head of the Chamber of Commerce and Industry of Western Australia, Mr Chris Rodwell, as follows —

The fees the state government has begun charging businesses for environmental impact assessments are the highest such fees anywhere in the nation.

I put that to the government in a question yesterday, because I had not seen the schedule of fees, but if that is true, I am concerned by it. If true, it would indicate that the internal costs of undertaking these kinds of regulatory actions are more expensive in the Western Australian jurisdiction compared to the case in other mining and development jurisdictions, particularly Queensland, the Northern Territory and New South Wales. That would suggest to me that the internal costs of the government doing business are in excess of what they should be. That seems to have been tacitly agreed to in the response I received. I asked the day before: what efficiencies had been generated by this change and a range of other changes? The answer I received was that, in the four and a half months since this cost recovery process had been in place, the Department of Water and Environment Regulation has continued to develop a suite of regulatory efficiencies. The department could not name what those efficiencies were, and they are unlikely to emerge. I do not want to target this agency specifically, but I think this is the case across the board in government. There is absolutely no focus on internal business efficiencies. Responsibility for driving these efficiencies rests with cabinet and ministers of the Crown. As a student of government and governments, I will say that undertaking these kinds of reforms and getting more value for money out of agencies is exceptionally difficult in a second term. It is exceptionally difficult to do when, for example in the environment portfolio, we see the third minister appointed in a 15-month period. I have been a bureaucrat, and I know how bureaucracies work. They work to their own interests, unless somebody or something is keeping them honest.

Listening to debate yesterday on the motion introduced by Hon Dan Caddy, it is obvious that the cost of living—people’s salaries and their capacity to keep up with inflation throughout the economy—is a critical bread-and-butter issue. What is a government’s responsibility in this context? The first call on the state government is not to add to that inflationary pressure. One way in which that pressure is increased, albeit not deliberately, is through the processing of government work. The longer the time taken to make decisions, and the more onerous approvals are to obtain, the more likely a project will move from being economic to marginally economic in a six to 12-month period. The bureaucracy will remain consistent and persistent. This is an opportunity to engage in reform, and one way to do that—this is a curtain-raiser to future budget speeches—is to look seriously at the Public Sector Management Act and assess whether we are getting the best bang for buck under that current framework. I would put it to members politely, at least as far as the performance of the senior executive service is concerned, that I am doubtful that that is the case. One suite of measures that could possibly be entertained to drive such efficiencies is twofold—one, to publish SES, particularly directors general level, performance agreements, and, two, to establish what key performance indicators they are being held to. I have referred to the fact that there is a range of KPIs for agencies—as we will see in the budget papers today—but they have to be comprehensively rewritten because the information that is provided has absolutely no bearing on the external economy and society into which they are delivering services.

I do not have much time left. I wish I could have gone more excitedly, as is in keeping with a Thursday, but I think we have got to a point where we are a little worn out. I appreciate we are all waiting for the budget to come down. Members should reflect seriously on this motion because it is a serious motion. With the 20 seconds or so I have left, I will say that with respect to infrastructure delivery, yes, Metronet—I will put it this way—has grown by a magnitude of three or four times its original capital cost, has been delayed by two to three years on each of its projects’ components and has grown in scope, and we do not know when the first element, the Forrestfield–Airport Link, will open.

HON STEVE MARTIN (Agricultural) [10.50 am]: I rise to make a contribution to this excellent motion from the Leader of the Opposition on the prospective record budget surplus for 2021–22. I apologise in advance to members: if my voice gives out I can assure them that I am not unwell, but the lingering effects of COVID-19 have affected my voice. I will soldier on.

I will make some remarks on paragraph (c) of this excellent motion, which notes —

... the government’s inability to deliver services, infrastructure and projects in a cost efficient and timely manner ...

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If we google that, one of the things that pops up is a picture of the Geraldton Health Campus. Before I commence my remarks about the delays to the Geraldton hospital project, I would like to congratulate the staff—doctors, nurses and everyone involved—at the Geraldton hospital for continuing to deliver an outstanding service to the people of the midwest throughout the pandemic, and ongoing. They do a wonderful job. They would be dismayed, like the people of the midwest, at the continuing delays to the upgrades. I heard Hon Stephen Dawson’s comments about future spends in the budget. I hope the Geraldton number is not in there again because it has been in there for years and years without any bricks being laid, except paving bricks in the car park of course.

I thought I would give members a history lesson about the various commitments that have been made over time at the Geraldton Health Campus. Both major parties took a commitment to the 2017 election to upgrade the health campus. We know who won. We and the citizens of the midwest assumed that building would commence. They started to get an inkling about what was about to happen from *The Geraldton Guardian* in October 2017. The Premier visited Geraldton with, I think, Hon Darren West. There is a nice picture of them smiling and pointing at the project.

Hon Stephen Dawson: Very photogenic.

Hon STEVE MARTIN: They are very, very photogenic. The hair is a bit over the place, but that is okay! The bad news started to flow. The upgrade would be delayed because a scoping study was needed. That is fine. The Premier reassured the people of the midwest. He said —

We are going to expand it and improve it. People of the midwest can rest assured that the money will go into future budgets.

They probably assumed that would occur in the very near future—2018 or 2019 perhaps, or even 2020. It is still in the budget and nothing much has happened. I flick forward to 10 May 2018. By the way, when I checked back on the government media releases on the Geraldton hospital, I got to 16 media releases before I stopped counting. I thought that would probably get me through my 10 minutes. The media statement from 10 May 2018 states —

- McGowan Government delivers election commitment to create jobs and strengthen quality health care for the Mid-West region
- \$73.3 million for the stage 1 redevelopment of Geraldton Health Campus and a Mid-West mental health service

Comments attributed to the then Minister for Health, Roger Cook, state —

“Current services in the Mid-West are under increasing pressure. This redevelopment is about providing high-quality services to our regional communities and care closer to home.

“This investment will deliver a combination of new build and refurbished infrastructure.

Well, not yet. That was in 2018. I move forward in time to a media release from 4 June 2020 headed “Geraldton health and mental health facilities moving forward”. That is happening very, very slowly. This media statement has been cut-and-pasted so many times that the ink is starting to fade. It states —

- \$73.3 million Geraldton Health Campus redevelopment is one step closer —

One step closer —

... awarded contract for forward works

That was in 2020. It states that a company was awarded a contract—possibly. It continues —

Work is set to commence on the \$73.3 million redevelopment of Geraldton Health Campus with ADCO Constructions Pty Ltd awarded the contract to deliver forward works.

Premier Mark McGowan and Health Minister Roger Cook today turned the sod to mark the start of construction of stage 1 of the redevelopment.

We know what stage 1 turned out to be. It was a car park. The media release states further —

“The start of the forward works means that we are on track with delivering critical infrastructure that will respond to the healthcare needs of local residents.

It is possibly on track. I move forward again to a media statement dated Thursday, 3 June 2021 that states —

- Main works commencing later this year will deliver an expanded emergency department, new intensive care unit and integrated mental health unit

Former health minister Roger Cook outlined what has taken place —

More than 400 additional car parking bays and six motorcycle bays have been delivered, significantly improving access to the hospital, as well as traffic flow into and around the campus.

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When a health minister is extolling the virtues of motorcycle bays and car parking bays and traffic flow in a car park at a health campus, we know he has nothing good to tell us. The traffic is flowing beautifully, the car park is working really efficiently, and the health minister is quite proud of it. Again, it is a cut-and-paste. The media release states further —

The next phase of works will include the construction of a redeveloped and expanded emergency department, a new intensive care unit and expanded high dependency unit, an integrated mental health unit, and essential engineering service upgrades.

Not yet. I am nearly there. A media statement on Thursday, 9 September 2021 is headed “Massive funding boost for health in State Budget”. We have been here before. It states that the \$1.3 billion investment includes works and updates at various health campuses, including Geraldton. That was the last budget. We are not there yet.

A member interjected.

Hon STEVE MARTIN: No—bad news on that front for the budget; good news, hopefully, for the people of the midwest. Last week, with a straight face, the new health minister visited Geraldton and said that there would be an extra \$47.4 million for a major hospital upgrade in Geraldton. She looked down the camera and spoke to the people of the midwest and said, “It’s coming, people. We’re about to start the building.” A media release states —

Part of the largest infrastructure program in WA’s history, Stage 2 of the Geraldton Health Campus Redevelopment project includes an expanded —

Here we go again—expanded! It continues —

emergency department, a new intensive care unit co-located with an expanded high dependency unit and essential engineering service upgrades.

Cut-and-paste. Hang on; it gets better —

This is on top of the more than 400 additional car parking bays and a reconfigured main entry, for better patient and visitor flow, already delivered through Stage 1 of the redevelopment.

The health minister was pumping up the tyres, literally, of the cars and the motorbikes that can access that wonderful car park, which so far is the only bit of work that has occurred in five years from this government. I read the media release carefully—it was two-and-a-half pages long—just to check so that we could work out when this might actually start, not finish. We have no idea, and neither does the health minister, when it is about to finish. When would it start? There was not a date. I read carefully, thinking that that could not be right. The government has effectively no idea when it will start. I checked the television news item when the minister was asked the obvious question: minister, when will this start? The answer was: “Well, we’re not sure. We hope it’s this year, we hope it’s before Christmas, but there’s a bit going on in the building sector. It’s hard getting building works done so we can’t actually guarantee a start date.” So, 2017, 2018, 2019, 2020, 2021 and 2022—more money, but of course costs have blown out, and they will blow out further, as they do, but the minister could not guarantee a start date. It was extraordinary. I have used up all of my time on that one particular issue.

Obviously we have some issues in the timber sector.

I hope there is an announcement in this afternoon’s budget for the community fund that needs to be spent to repair those communities after the closure of the hardwood logging sector. Parkside Timber closed its mill on Monday this week and 50 people lost their jobs. Those people are looking for jobs. Given today’s job market, they will probably find another one, although they might not find one in Manjimup, Greenbushes or Nannup. They might move to the coast or to the city or find work in the mining sector. I hope those communities receive the funding that they deserve from the state government. Parkside, the company that bought into the timber industry and that was encouraged and welcomed by the forestry minister two short years ago, also received suitable compensation that it so richly deserved after expending approximately \$70 million of its own money to invest in that sector. The company was assured that it was sustainable. Apparently, a couple of years later it is not and the minister has pulled the rug out from under that company.

HON PIERRE YANG (North Metropolitan) [11.00 am]: I begin by quoting what Hon Ayor Makur Chuot said yesterday about the Leader of the Opposition. She said that she was not very impressed. I echo her sentiment today that I am not very impressed by the motion moved by, or the comments of, the Leader of the Opposition. The conservatives have been gaslighting the general public of Western Australia about their economic credentials because they have none. This mob wrecked the state’s finances. Admittedly, the Leader of the Opposition was not in Parliament during that time, so it was not his fault, but it was his party and the National Party that wrecked the state’s finances. I will go back in history to remind members opposite who have been trying to gaslight the whole country and the whole state. The federal Liberal–National government talks about its financial management credentials yet it has doubled and tripled the national debt since 2013, and this mob, back in 2008, inherited the best set of books in Western Australia and then turned it into \$30 billion in state debt. It was \$3 600 000 000 previously.

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I think Hon Darren West talked about that during the last term of Parliament. I remembered it and I want to remind members opposite of it.

Hon Dr Steve Thomas interjected.

Hon PIERRE YANG: I will not take any interjections from the member who, as I have said, I am not very impressed with. Under Colin Barnett and his National mates, the Liberal–National government squandered 10 years of prosperity between 2008 and 2017. Let us talk about that in detail, shall we? What did the former government do when the iron ore price was high? It bought singing toilets and plastic cows in the regions. Did the former government do anything that was actually beneficial for the people of regional Western Australia? It did nothing beneficial whatsoever. What is good about having a plastic cow on the street? It does not really add anything.

Several members interjected.

The ACTING PRESIDENT (Hon Jackie Jarvis): Members, Hon Pierre Yang has the floor.

Hon PIERRE YANG: Thank you, Acting President. I shall continue.

Back in 2008, the state debt was \$3.6 billion. What did the former government do? It turned the debt into more than \$30 billion and it was projected to reach \$40 billion. Thank goodness that Mark McGowan and the Labor Party took power in 2017 and saved the day because we came to office with a plan. We came to office with this document—the *WA Labor plan for jobs* for Western Australia. We had a heap of policies. I want to re-emphasise that I helped the Labor Party, in my own time, to translate that document into Mandarin Chinese, so I actually read all 378 pages of this document. Thank goodness that the Mark McGowan government and the Labor Party put out a new WA jobs plan before the 2021 election. That is another set of good policies that will take the state into the future. In stark contrast, before the 2021 election, the Liberal and National Parties could not get their act together. I will quote a few lines from an article by Jacob Kagi titled “WA election: Liberal costings ‘train wreck’ failed to verify estimates, provide analysis of policies”. It states —

In an extraordinary press conference 48 hours from polling day, the WA Liberals insisted the public had every reason to trust their claim that an ambitious and wide policy agenda could be delivered for just a \$1.4 billion addition to state debt.

We cannot trust this mob. Why? It is because when they were saying that all their policies were costed, the very accounting firm that helped them came out and contradicted them. This is what it said —

“The engagement entailed checking the mathematic compilation of the total recurrent and capital expenditure from the cost of each commitment, as provided by the Liberal Party, ...

“The engagement did not include an analysis or calculation of the underlying items that make up each individual commitment.”

Hon Dan Caddy: Was that The Three Stooges press conference?

Hon PIERRE YANG: That is right. I will come to that very soon.

In other words, no-one actually looked at the Liberals’ policies to see whether they could be delivered for the cost that the party had estimated. Where was the Leader of the Opposition? I think that the Liberal Party would have benefited from his acumen if he had been involved in the leadership at that time.

Several members interjected.

Hon PIERRE YANG: I think so. I am glad that the Liberal Party now has someone of the Leader of the Opposition’s calibre to lead them. At least he can get its act together. I am still not very impressed, by the way. Jacob Kagi continued —

That was not the only question left unanswered, in a press conference Labor described as “shambolic” and a “car crash”.

It was a car crash. The Liberal Party’s estimates looked only three years into the future. It was pretty amazing. I remember travelling from home to go to an event on that day as I heard the reporting of the exchanges between the three members of the Liberal Party with the media. In fact, they were coming under attack from the media—not the Labor Party—which looked at the Liberal Party’s credentials and asked fair questions that its members could not answer. Former Treasurer Ben Wyatt said —

“It was like watching the three stooges pass around a ticking time bomb, ...

Sean L’Estrange didn’t want to talk about it, Zak Kirkup didn’t understand it and David Honey threw himself upon it.”

My goodness. Can this mob ever be trusted with the state’s future and the state’s finances? What I will say in the remaining time is that Liberal and National Parties at the federal and state levels have been trying to gaslight the state and the country about their financial credentials. I will go back into history a bit and talk about former Prime Minister

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John Howard when he was the Treasurer under Malcolm Fraser. What was the interest rate in the late 1970s? It was 15 per cent. It was a lot higher than what he wanted to say to the people when he was the Prime Minister. He could not manage the finances or the budget. He benefited from the economic conditions of the world when he was the Prime Minister of Australia. The problem with the Liberal and National Parties is that they just do not understand finance.

A member interjected.

Hon PIERRE YANG: I cannot change them. I cannot educate them in the next one minute and 20 seconds. I will fail at that. However, I will say that if the Liberal and National Parties fail to plan, they are planning to fail. Time and again during the mining boom, this mob failed to plan for the future, so 100 000 Western Australians were unemployed in 2008. Talk to those people. Talk to their families. They were suffering. How can members opposite take the moral high ground and attack this government! How dare they! How dare they when they wrecked people's lives back in the day. This motion is nothing more than a piece of paper. Actually, it is not worth the paper it is written on. Shame on members opposite!

I am going to talk about the GST in the remaining 20 seconds. Members opposite talked about the federal Liberal–National government gifting us. I will quote a line from Hon Rick Mazza, a former member of this place, if I can find it, but I may not be able to. He said that WA deserved the GST floor. So we do not have to thank the federal government.

HON PETER COLLIER (North Metropolitan) [11.10 am]: Goodness, I am just going to get over that nonsense! I say at the outset that I find it extraordinary that the member who just spoke got all hot and bothered yesterday and constantly raised points of order because, apparently, Hon Nick Goiran did not stick to the motion. I do not think I heard Hon Pierre Yang say one word about the motion. We just sat here and let him bend our ears. Honestly, there was enough energy from that steam to keep the state going!

I will say a couple of things about this matter. In my reply to the budget speech I am going to talk about this and a few other things that will entertain and fascinate some people. The one thing I will say is that the infatuation that the current government still has with the previous government after five years is extraordinary. If someone works in the process, they work on being the best they can be every single day, and that is all that matters. But that is not the case with these guys; they are still infatuated with the previous government. I will very briefly remind members of when the previous Labor government had balanced books. However, we also had mass teacher shortages; thousands of kids were without a teacher. We ran out of electricity. We had people on trolleys in corridors in our hospitals. We had the great escape at the Supreme Court. The Labor government could not deliver the fundamental services that a government should deliver, but it had balanced books, which is wonderful. But it is absolutely not. The role of a government, particularly a state government, is to provide basic services. Dealing with issues like education, health and crime is fundamental in the delivery of services by a government.

Let us move forward. We have moved forward. I did not give a second thought to the previous Labor government certainly in terms of what we did in education.

A member interjected.

Hon PETER COLLIER: No; I am talking about when we were in government. I spent my whole time working on education. It was a fantastic portfolio. We made our teachers the highest paid teachers in the nation. We put a teacher in front of every classroom in every year that we were in office.

Let us look at today. Is our quality of life any better now under the current Labor government? I take on board the pandemic, but I also take on board these record surpluses, and we are going to see another record surplus today. I say to the government that everything might be peachy with the books, but everything is not peachy out there. I am not talking about the pandemic that everyone has had to endure. The suffering of people under the Labor government has been accentuated over the last few years in particular, but it continues to be accentuated, particularly for the homeless, those who are looking for public housing and the thousands upon thousands of people who are sitting out the front of hospitals day after day because of the extraordinary situation with ambulance ramping. That is an appalling state of affairs.

Today I am going to talk about another cohort of people who tend to get lost. I have mentioned them a few times in this place over the last 12 months. They are called disengaged youth. Unfortunately, we find a lot of disengaged youth in juvenile detention centres. More often than not, they are Aboriginal or come from broken homes or homes where they have been physically, verbally or sexually abused. These kids have low self-esteem, low self-respect and low resilience. They have no support structures at all at home and then they find themselves in a juvenile detention centre. What are we, as a community, doing? What is the Labor government doing and what has it done over the last five years for these kids? I am going to give members some stark statistics today. I will tell them what happened. We did an enormous amount to assist disengaged kids, with a massive investment in curriculum and re-engagement in education schools to ensure that we provided an alternative to juvenile detention. Do not take my word for it. Take the word of the Office of the Inspector of Custodial Services, which handed down this report just last month.

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I urge members, particularly those opposite, while they are beating their chests about the surplus, to read this report. Please take the time to read it.

A member interjected.

Hon PETER COLLIER: Do not be flippant about it, member. Go and read it. I have just said what it is.

Members need to listen to this part —

Our report is critical of the conditions at BHDC —

That is Banksia Hill Detention Centre —

and for many it will be difficult reading. BHDC is not fit for purpose as a youth detention centre. It looks like, and in many respects runs like, an adult prison. Even to the point where there are adult prison officers stationed there to assist in maintaining order and security. More recently, due to staff shortages, these staff have been required just to keep the facility running. Recent critical incidents have also regularly resulted in the deployment of response teams from the Department's Special Operations Group.

There is one particularly compelling interview with one of the young people who was formerly at Banksia Hill outlined at page 19. I do not have time to go through it at the moment, but I urge members to read it. It is absolutely haunting.

It says later in the report —

Considering the preliminary findings of this inspection, the Inspector of Custodial Services (the Inspector) formed a reasonable suspicion that:

1. There was a serious risk to the care or welfare of detainees held in the ISU at BHDC.
2. That detainees were being subjected to cruel, inhuman or degrading treatment in the ISU at BHDC.

That is from the Inspector of Custodial Services. That reinforces comments that have been made to me by dozens of parents and people who were formerly at Banksia Hill. Yesterday I asked a question about the number of people at Banksia Hill who had either attempted suicide or self-harmed. Listen to these statistics, members. In 2019, there was a combined total of 147 suicides and self-harm incidents. Last year, there were 351. That is an increase of around 300 per cent. There were two attempted suicides in 2019 and 31 last year. There were zero incidents of serious self-harm in 2019 and six last year. There were 145 incidents of minor self-harm in 2019 and 314 last year. The government might have a great balanced budget, but rather than wasting an exorbitant amount of time focusing on a government that was in power five years ago, I urge it to take its head out of the sand and understand that people out there are really struggling, particularly these vulnerable kids. Their lives are appalling. Most of the kids who go into this institution are harbouring enormous baggage and they come out feeling worse—they want to kill themselves. I am not being emotive. There were 351 incidents just last year.

For goodness sake, use \$50 million or \$100 million, or whatever, out of the \$8 billion surplus to provide some rehabilitation facilities in that centre so that when they come out, they are better placed to deal with a complex society than they were when they went in. If they feel that they want to kill themselves while they are in there, do we think they are going to be resilient when they come out? Of course, they will not be. Do we wonder what will happen to them then? Without a shadow of a doubt, they are going to go into an adult jail within 12 months. The circle of despair is just going to continue for these guys. It is just going to continue. The government could do something. It should stop beating its chest and worrying about us and start doing something about these kids. Hundreds upon hundreds of them are trying to kill themselves on the government's watch. I ask the government to please go into the till and provide some rehabilitation services and programs for these kids so that when they come out, they feel good about themselves, they have been trained, they have a qualification and they have been provided with some sympathy, empathy and support. They could come out actually feeling good about themselves for the first time in their lives and feeling able to make a productive contribution to society, but at the moment they do not. Last year, 351 of these kids wanted to take their own life. The government can beat its chest all it likes, but these kids are suffering.

HON COLIN de GRUSSA (Agricultural — Deputy Leader of the Opposition) [11.20 am]: I, too, rise to support this excellent motion on the budget moved by my colleague the Leader of the Opposition. Obviously, it is important to debate these sorts of things on a day like today, when the budget will be handed down. I expect there will be some announcements in the budget that the opposition will agree with, but there will also be some examples of the government not managing to deliver.

I want to reflect on the contribution made by the honourable Minister for Emergency Services when he rose to address this motion. The first word he used was the word “nonsense”. Unfortunately, he was caught up in some nonsense of his own in his contribution when he talked about the nonsense of paying down a debt that never existed. It is quite ridiculous to suggest that the government has paid down \$11 billion of debt that never actually existed. Quite frankly, it is a bit like a home owner who borrows money to buy a house. They have the house valued a couple of years later and it has gone up in value, so they say, “Oh well, I’ve paid down that increase in value; that’s

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reduced my debt on the home loan.” That is rubbish; it is absolute garbage. It is essentially fraudulent accounting and, as the minister himself said, it is nonsense; absolute nonsense. The government has not paid down debt —

Point of Order

Hon DARREN WEST: I think I just heard the government being accused of fraudulent accounting, and I ask that that be withdrawn.

The ACTING PRESIDENT: The advice I have received is that it was not directed to an individual, but I invite Hon Colin de Grussa to perhaps rethink his phrasing.

Debate Resumed

Hon COLIN de GRUSSA: Thank you, Acting President. I certainly was not directing the word at any individual. However, it is creative, at best, to suggest that the government has paid down a debt that never existed. The issue here is that there is this constant living in the past, and a fictitious past at that, because it is something that never actually happened, and it is nonsense, as the minister himself said. The whole idea that the government has reduced debt by \$11 billion is garbage.

Hon Pierre Yang’s contribution was very passionate, and I acknowledge that it is good to see that passion flying across the chamber. We like our Thursdays, when we can all get a bit passionate about these things, but the fact of the matter is that we do not need to go back and look at the past. We need to look forward to the future of this state, but unfortunately this government came to power five years ago, and what happened in our health system? This will be the government’s sixth budget. What happened with ambulance ramping immediately after this government came in? This is the government’s sixth budget, and we are seeing a crisis in our health system that started immediately after it came to power. Had it not been for the previous government investing in our health system and building new hospitals, where would we be? Where would we have been in the COVID pandemic if the previous government had not invested in building new hospitals? This government would like to take credit for all those things, but they would not have happened had the previous government not invested in the health system and built new hospitals. Where would we have been? The answer is that, despite the shambolic nature of the health system in this state at the moment, it would have been an absolute disaster without the previous government’s very considered investment.

Motion lapsed, pursuant to standing orders.