

ESTIMATES OF REVENUE AND EXPENDITURE

Consideration of Tabled Papers

Resumed from 13 June on the following motion moved by Hon Stephen Dawson (Minister for Environment) —

That pursuant to standing order 69(1), the Legislative Council take note of tabled papers 2664A–D (budget papers 2019–20) laid upon the table of the house on Thursday, 9 May 2019.

HON COLIN HOLT (South West) [2.13 pm]: I will not take up too much of the house’s time, given that we have just considered a motion to extend the sitting hours for this week to get through the government’s legislative agenda. However, there are a couple of things I would like to concentrate on in this year’s budget. The first issue I want to raise is one that I think is very close to everyone’s heart, and that is the provision of and funding for palliative care. It was a long-running issue of concern, which, obviously, came to a head when the Joint Select Committee on End of Life Choices delivered its report “My Life, My Choice”. The committee report highlights the inadequate funding of the palliative care sector in Western Australia. I want to take members through some of the findings of that report because they are well worth reflecting on. It is also well worth reflecting on the government’s response to some of those findings and recommendations. Finding 9 states —

Access to inpatient specialist palliative care in Perth is limited.

Finding 10 states —

Apart from a small number of private beds at Glenngary Hospital, there is no inpatient specialist palliative care hospice in the northern suburbs of Perth.

From those findings, it was recommended —

The Minister for Health should facilitate the establishment of an inpatient specialist palliative care hospice providing publicly funded beds in the northern suburbs of Perth.

The report is clearly indicating that there is a great gap in the northern suburbs.

Finding 11 states —

Silver Chain is providing is providing community palliative care to more patients than for which it is funded.

I want to reflect on that. One of the privileges of being on that committee was that we got to spend some time with a Silver Chain palliative care nurse while she was visiting some of her patients. The committee also had a briefing with Silver Chain at its site in Maddington. The committee was told that although Silver Chain is funded to provide so many in-home palliative care services, it often deals with many more patients than it is funded for. By its very nature, it is very difficult to predict how many people will need palliative care at any one time because care is provided at the end of life and some patients, depending on the care they receive, can live longer than expected or live longer than the service is funded for, whereas other patients, of course, can live for a shorter period. Silver Chain finds it very difficult to manage its resources within that funding arrangement. To its credit, Silver Chain never leaves a patient unseen, even if the service goes beyond the funding that it receives. Managing that is very difficult because the demand for its services is increasing all the time. One of the first realisations that the joint select committee came to was that more funding was needed in this area. That led to recommendation 8, which states —

The Minister for Health should ensure that community palliative care providers, such as Silver Chain, are adequately funded to provide for growing demand.

Anecdotally, I was talking to some palliative care providers in Albany who told me that demand for their services has gone up significantly, from about 180 referrals in 2010 to close to 400 referrals this year, with no increase in FTE allocation. They also face the same challenge in providing palliative care services. I will come back to the government’s response to the report, something that we in this chamber have discussed at length, and that it is increasing funding to deliver better palliative care services.

Some recommendations in the report will not cost the government or the department a lot of money to implement, and some of that is around monitoring, auditing and understanding the gaps in palliative care. As a member of that committee, I remember that we struggled to completely get a handle on what palliative care services and funding were going into in-house services, for a majority of reasons. Some of it was about definitions and some of it was about how different organisations report palliative care. Some of the findings and recommendations in the committee’s report related to finding some common ground, understanding the problem and determining the current level of funding, so that not only would any increase in funding and activity address the issue in an appropriate manner, but also government would be able to monitor how any increase in funding would deliver a better service for the people who need it the most—that is, people nearing the end of their life

who need palliative care. They require a great deal of care and they often want to be provided with that care whilst in their own home. Although some of that care does not cost a lot of money, it requires a change in some systems and reporting. Nevertheless, there needs to be a response to ensure that those sorts of things happen, as recommended by the committee.

The committee's report shows that there is an unmet demand out there and we need an increase in funding to deliver a better outcome for many people. I turn to some of the findings in the report. Finding 16 states —

Access to hands-on specialist palliative care is limited for metropolitan and non-metropolitan patients.

The committee recognised that there is a gap. Finding 17 states —

Western Australia has the lowest number of publicly funded inpatient palliative care beds per head of population.

Finding 18 states —

There is a gap in care for people who are seriously unwell but not close enough to death to be admitted for inpatient hospice care.

That relates to that switchover. When are people ill enough and when are people close enough to death to access palliative care? It is a really big question that needs to be thought about and addressed. Obviously, if we had unlimited funds, we would not have that divide; we would be providing a greater level of health service and healthcare to the right patient in the right place and at the right time. But it is difficult when budgets are limited. Finding 20 states —

There is limited medical oversight, coordination or governance of medical palliative care services across WA Country Health Services.

As I reflected earlier, one of the challenges for the committee was in trying to get a handle on what model of care was being instigated in regional Western Australia. A number of models were used by the WA Country Health Service to deliver those services in hospitals to either inpatients or outpatients, and through some community care. As much as the committee tried, it never really got a definitive answer on the level of service being delivered by those health services. Recommendation 12 states —

The Minister for Health should prioritise policy development and improved governance structures for the delivery of palliative care by WA Country Health Services.

Recommendation 13 states —

The Minister for Health should ensure regional palliative care be adequately funded to meet demand.

That is a big recommendation. First, it comes from the premise that we need to know what the demand is; and, second, what level of service we have now and how we can improve that. Finding 21 states —

There are insufficient numbers of primary care workers providing palliative care in Western Australia.

Finding 22 states —

Palliative care activity in Western Australia's hospitals is not being accurately reported.

The committee made some important findings and recommendations. I know that the government, in response to the report, accepted the majority of the recommendations. The budget includes a response from the government, which is trying to address those recommendations.

I turn to the McGowan government's palliative care plan, which is a bit of a fact sheet on what the government is doing to implement some of those recommendations and to meet some of that unmet demand. The government will deliver record funding of \$206 million into community-based palliative care over the next four years. Record funding is always welcome. Again, the challenge will be whether these funds will go to the right place to deliver those services. Funding for regional palliative care will almost double over the next four years. This is in addition to specialist hospice and hospital palliative care. The government will convene a palliative care summit in 2019. That might be viewed with some scepticism, and be seen as not investing, just planning. It seems to me that the committee recognised the gaps in its own knowledge of the health system, in not completely understanding what is required. The only way we can understand is to bring together people who operate in these services and within this area of hospital care to find out where the gaps are and how we can improve the situation.

Some of the other things in the budget relate to improving access to care closer to home for regional and Aboriginal communities and having more specialists on hand. That is a lofty claim to make in a budget. Again, there were some question marks in the report about how that is measured and how it will be audited from a benchmarking viewpoint, to know whether it is being improved. Improving access to care closer to home for regional and

Aboriginal communities will be very difficult. Evidence was given to the committee, submissions were received from many people, and it was reflected in the services provided by Silver Chain that many people want to spend the last days of their life in a familiar home setting. Some do not want that; they would prefer to be in hospital. A lot of questions were answered about more and more people wanting to spend their last days at home, with the appropriate care and specialist palliative services. Questions were often asked about where Aboriginal people wanted to spend the last days of their lives. There is a complex question about dying on country or not being close to country when that time occurs.

Claiming to improve access to care will be a real challenge for this government. We welcome the increase in funding, but we have to ask how the government will measure success in this space. I look forward to seeing how that will be rolled out, implemented and reported back to the house with those improvements. I am a realist. I am pragmatic. Many people in regional Western Australia know the outcome of living in regional Western Australia, especially in remote places. They do not necessarily expect to have the same level of services and support that are available in a regional centre or within metropolitan Perth. If we are going to be serious about healthcare and palliative care services, we have to be fair dinkum about the funding we put into the system and how those services will be rolled out. The committee was very impressed with Silver Chain, as it recognised in the report, and how Silver Chain and other in-home palliative care services meet a lot of the needs of people in their homes, but, again, really limited funding will go into that.

The committee travelled to Albany and Denmark to hear stories at a local level. I have since met with a number of palliative care providers in Albany to get further stories from them. They reiterated exactly what the committee found. Albany is actually very well off and very lucky to have the number of regional services it has in the health and palliative care space. It has a well-run community hospice that has been there for many, many years. It caters for not only Albany people but also many people from around the regions. I know people come from other country towns to Albany to access that service—which is good, because it means they do not have to come to Perth—but if we consider that most people, when they get to end of life, want to die in their own home, it means we are still dragging people away from Borden, Gnowangerup or Jerramungup to access a very good service in Albany, 200 or 300 kilometres away. People working in those services in Albany have told me that they are stretched to the limit in delivering just for Albany people, let alone providing adequate services to people from Denmark or Mt Barker, which are both 50 kilometres away, or to people from places further away, in the hinterland. They actually cannot do it; it is impossible.

I hope that, together with the summit, increased funding, and a focus on the provision of care to regional Western Australia, the government provides more funding where it is needed. The proof will be in the outcomes. I can tell members that I will continue to work with palliative care specialists in the south west to make sure that they have input into where they think funding for improved services needs to go, and keep working with them to find out whether it has an impact. If it is not having any impact, we will be back here to demand greater focus on and investment in regional health care and palliative care. I think that is fair, given the amount of work that was done by the Joint Select Committee on End of Life Choices; part of its remit was to look into palliative care provision in Western Australia. It did a lot of work and heard a lot of evidence to say that we have to do better.

It is recognised that Australia is one of the better jurisdictions around the world for the provision of palliative care services. We acknowledge that, but this is about Western Australia and all Western Australians having access to adequate palliative care. It would be remiss of members in this house to not make that point over and again, in recognition of what the committee found and to remind the government that this is an important issue for Western Australians. We need to ensure that we continue to deliver those services.

There are some advantages in regional Western Australia; community care is much valued and delivered by both volunteer and professional services. One of the challenges is the pop-up nature of palliative care services in regional Western Australia. I say “pop-up”, because if you are in a town of 400 people, there may be only two people who need palliative care over a given period in that community, or there may be none. Twelve months could go by during which palliative care services are not required, but then over the following six months, there could be four or five terminally ill people requiring those services. We understand that it is not practical to set up a permanent solution in some of those towns; it is impossible to do, and that is why those services are pop-up in nature. However, when people do require extra services, rather than having them move to a permanent solution in Perth or Albany, we need to find a way to deliver healthcare solutions back into those communities when the demand is there.

Again, many of our bureaucratic systems are not nimble enough to respond to that, but it is not about the healthcare workers, because they are completely passionate about delivering as many services as they can to the people who need them the most. They are probably a bit hamstrung by the levels of demand that require their attention and the level of complexity of some of the healthcare issues. They are trying to do as much as they can with the resources available. We know that the available resources are not delivering enough, and we need to get better at it. I have

high hopes for the summit that the government is going to organise. One would hope that it would hear from people far and wide, from all the regions, to find out how we can do things better. We in this house must hold the government to account on its delivery of those services.

Smaller communities tend to look after themselves; they know what people are going through and often, through non-profit and charitable organisations, they deliver in-home care themselves. The telehealth services and programs have been expanded and are now widely recognised as some of the best of their kind in the world. There will be an opportunity to use some of those services to deliver greater outcomes in regional communities as well. However, that will require the availability of palliative care specialists in the telehealth system and more training for nurses and community health workers to deliver the sorts of outcomes that those patients are looking for. It is recognised that there is not enough palliative care training for specialists and primary health nurses, so the current resources are stretched. We need a massive investment into delivering greater outcomes in that area.

This goes beyond government; it goes to some of the training colleges and universities, and the ways in which they train people. The committee discovered that in some universities, the palliative care training available for general practitioners is one week. We have to ask whether that is adequate training when palliative care is a burgeoning issue. The baby boomers are coming into that demographic of the health spectrum, and the issue is not going to go away. It will get worse, and we will need to respond to those needs in a budgetary sense and in the provision of services. There is plenty of evidence to show that we have become so good at treating people's ailments that they are living longer, often with comorbidities and greater health needs, so we have to provide greater care for the later stages of life. That is going to continue, and we will need to provide those services.

Although the government says it is delivering record funding of \$206 million and almost doubling expenditure in palliative care in the regions over the next four years, I think the proof will be in the outcomes. We certainly need to ensure that the government is held to account on that. Without a doubt, this issue will be discussed and debated for many years to come.

I would like to take a few moments to talk about one of my favourite subjects, which is the *Australind* line to Bunbury. It is going to be interesting to see how the government will deliver on the promise it made in 2017.

Hon Darren West interjected.

Hon COLIN HOLT: I will outline it to the member, and he can tell me how the government is going with some of this sort of stuff, if he likes.

I refer to a policy document from October 2016, "WA Labor's Plan for Train Services to Bunbury", which came out in the lead-up to the last state election. Under the heading "Delivering Revitalised Train Services to Bunbury and the Southwest", it states —

A McGowan Labor Government will:

- Invest in new rail cars to revitalise the Australind train service.

Is that a tick, Hon Darren West? It is a tick?

Hon Darren West interjected.

Hon COLIN HOLT: Well, I think it is on the list.

The next point is to upgrade smaller regional stations between Bunbury and Perth, where necessary, especially with disability access. Those things are on track, which is good to see, because I have been campaigning for those for some time. I also campaigned for the previous government to fix it, because I thought it was unacceptable. The platform at Yarloop has been built, but I have not caught up with the latest on the platforms at North Dandalup and Cookernup. I know they are in the planning stages, but I do not think they have been done yet. An article in the *Harvey-Waroona Reporter* of 12 April, headed "Station upgrade on track", refers to the Yarloop train station. It has a nice picture of the member for Murray-Wellington standing on the platform with a couple of community members waiting for the *Australind* to come past. It probably did not come past that day, because it might have been one of the days on which it was broken down. The article stated that \$500 000 would be spent on the Yarloop train station to bring it up to modern, accessible standards. I do not know whether other members have been to have a look at the new train station at Yarloop, but it cost \$500 000 to build a disability platform with a small shed on the platform. I just cannot believe that it cost \$500 000. In the time of the previous government, there was an initial quote for \$700 000 to build a platform. Three people could probably stand in the shed, and the platform is probably three metres long, with an access ramp. The previous quote was \$700 000, and I remember writing at the time to the Minister for Transport, Bill Marmion, saying that I could not believe that it was going to cost \$700 000 to build a disability access platform. He wrote back that that was the quote that had come back, and that was what the Public Transport Authority believed it would cost.

When the change of government occurred, I wrote to the new Minister for Transport that this \$700 000 quote for a platform in Yarloop should be looked at. Remember where the community of Yarloop had come from—it had

just been through some devastating bushfires. There had been a large commitment by the previous government to re-establish the community, including building a new community centre, rebuilding the fire station, rebuilding some sort of museum there, consolidating some of the housing blocks, and a general clean-up. This community had come through a period of devastation, with 80-odd houses having burnt down. As part of that redevelopment and revitalisation, the government was going to build a \$700 000 platform. I wrote to both the previous government and new government asking that this be examined. We all wanted a platform with access for disabled people, but \$700 000 seemed excessive. The government should look at how it was to be funded. I would have thought it could be built for \$200 000, with the remaining \$500 000 put into other essential services in the recovering community. I asked a question in this place on 15 May 2018 about that, because I wanted to get a better idea of how much it was going to cost. The question reads —

I refer to upgrades to passenger platforms on the *Australind* line.

- (1) Which company is undertaking the work on the platforms?
- (2) Please provide the tender documentation for the building of the platforms.
- (3) Please provide a breakdown of project costings for the new platform at Yarloop on the *Australind* line.
- (4) When will the Cookernup and North Dandalup platforms be upgraded to universal access?

I remember that when I was minister, I looked forward to questions on notice or without notice, because they were often questions that I wanted answered by my own department. It often led me to take a close look at something. I was hoping that some of these questions might provoke the Minister for Transport, even though they were answered by a representative in this place, to have a look at the costings for building a platform that was not very big, though adequate for the community's needs. It was originally going to cost \$700 000, but it came down to \$500 000, as quoted in the newspaper article. The answer to part (3) was —

The breakdown of project costings is: Yarloop design consultancy, \$80 000; Arc Infrastructure cost allowance, \$50 000; and construction, \$445 000.

I guess the Arc Infrastructure cost had something to do with the track, and the construction included the platform and other things such as a car park and a ramp. I was surprised that a platform of this size was going to cost that much. I encourage other members to go and look at it and see whether they think it is value for money for the government or the community. If the government could have built it for \$200 000, it should have done so, and invested the leftover funding in the Yarloop community. It is astounding. I asked a follow-up question a few months later, on 21 August 2018. I asked —

- (1) Has the minister asked for a review of the outrageous costs associated with the design and build of three modest platforms?

I was hoping the government would go and look at it again. I also asked —

- (3) Is the minister confident that value for money is being delivered by the Public Transport Authority on these projects?

The response I got from the representing minister was —

- (1) The design for the Yarloop station upgrade includes three car parking bays—one accessible—kerbing, new bitumen, fencing of the historic loading ramp that is adjacent to the platform and the construction of a high-level platform. The construction cost of the high-level platform is consistent with the escalated construction cost of a lesser designed platform built at Meckering in 2007–08.

The answer went on to indicate that the government was expecting similar costs for North Dandalup and Cookernup. The answer to my question about whether the minister was confident that value for money was being delivered was simply yes. I raise this here because I find it extraordinary that the PTA seems to have based its costings on a similar project in 2007–08. Maybe back then it did not check whether it was getting value for money. I find it extraordinary that the minister never went back and questioned this, or maybe she did, and can justify the expense. I thought it was quite an extraordinary expenditure of money. The community was asking for an accessible platform, but recognised that we do not need to spend \$500 000 on it, because there were a lot of other things that could occur within that community.

I return to the WA Labor document about delivering revitalised train services to Bunbury and the south west, as committed to by the McGowan government. The third dot point reads —

Develop specific tourism packages for Bunbury, Collie and the surrounding communities linked to a revitalised *Australind* Service.

There is nothing in the budget that comes anywhere close to delivering on that commitment. I have asked questions about it, and the answer always seems to be that the government is working on it. Two years into the new

government, we are still waiting for specific tourism packages for Bunbury, Collie and surrounding communities, linked to the train service. I would like to see them delivered before the end of the present term of government; otherwise, the people of the south west have been let down in these campaign promises. The next dot point reads —

Provide an additional no stop Australind service between Bunbury and Perth and vice-versa.

Hon Martin Aldridge: Non-stop?

Hon COLIN HOLT: It says provide an additional non-stop *Australind* service between Bunbury and Perth and vice versa. Over two years into the term of government, there are no plans, nothing has been shown to be occurring on that and there is no line item in the budget that I can see, unless it is hidden in one of the greater global amounts. It looks like the people of Bunbury will be let down by this government, because I cannot see that being delivered in the term of this government. They should be asking this government and the member for Bunbury exactly where it is. The people of Bunbury and the south west were promised that there would be a non-stop additional service of the *Australind*.

It also states that the government will —

- Plan and determine route definition to develop a long-term plan for a fast train to Bunbury.

I wonder where that is at, because, again, there is no budgetary figure to indicate where that planning is at. It further states —

- Consult with the City of Bunbury and local community to confirm a site for a train station closer to the City centre.

That will be a big deliverable item. The government might start the planning and then say, “We’ve done our planning; we’ve delivered our promise.” I have not seen any consultation. Maybe it has been in-house consultation. Maybe it is with just the City of Bunbury. I have not seen any sign of consultation with the local community about where that site might be. Again, this government is two and a half years into its term and I have not seen any consultative workshops, decisions, advice or anything to the community about how it will bring the *Australind* into the CBD. The local shops are accepting posters titled “Bunburytraincampaign”, stating “Bring the train and the people to the CBD!” Local retailers want to see it happen. In the last election campaign, the Labor Party said it would seriously consider how it could relocate that train station in the city. I am not sure how it will do that or where it will go.

Hon Rick Mazza interjected.

Hon COLIN HOLT: No. There is an opportunity there. The government said it would look into it, but I have not seen anything at all to indicate that it is working on that concept. I think the people of the south west and the people of Bunbury should prepare themselves for many of these promises not to eventuate.

We can probably tick off investment in new railcars because it is certainly part of the big Metronet order for new railcars. I therefore think that is happening. The upgrading of regional stations is occurring, but that was kicked off by the previous government, so this government needed to commit to and deliver them. For the rest of it, I would say that the people of Bunbury will be completely disappointed. I have not seen any specific tourism packages that lead to the *Australind* service. Maybe that is because the service is not reliable. That will certainly not happen. We have seen no movement there.

WA Labor’s executive summary also states —

- Provide an additional no stop Australind service ...

I say that that was easily said but will not be delivered. I certainly cannot see a budget item that addresses that election promise for the people of Bunbury. Also, there is no movement at all on the Bunbury train station being moved closer to the city centre. With two and a half years into its term, the government has maybe another 20 months until the next election, so we hope there will be some sort of movement on that, or the people of Bunbury will hold the government to account for very little activity on delivering a revitalised train service for the people of Bunbury and the south west.

They were a couple of specific issues around the budget. I could go on for a long time but —

Hon Tjorn Sibma: You can go on for another 20 minutes if you want.

Hon COLIN HOLT: I could if I wanted to, but we have an important legislative program to be delivered here. I could talk for another 20 minutes just on the legislative program if the member wants me to.

Hon Martin Aldridge interjected.

Hon COLIN HOLT: It would be. I have always said that when parties get into government, budgets are always about choices and priorities. The choices and priorities of this government are very clear. They are not about regional communities; they are about establishing services for metropolitan Perth and meeting its promise to deliver a large-scale passenger train service throughout Perth. We know the government is repurposing royalties for regions to deliver on that. It is all about choices and priorities and we will remind the people of Bunbury and

other areas that that is exactly what the government is doing. Although it promised a lot of things for regional communities, many of them will not be delivered. There is no budget figure outlined to enable delivery on some of those promises, so the government will be held to account.

Hon Darren West: Which ones specifically will we not deliver on? We're not going to promise on something we won't deliver. That was the last government.

Hon COLIN HOLT: I just read out a few. The government will not provide an additional non-stop *Australind* service between Perth and Bunbury. Does Hon Darren West think the government will do that in this term of government, or when? I am happy to take the member's interjection.

Hon Darren West: We are going to do it.

The PRESIDENT: Order, member! It is question time at 4.30, not now, and the parliamentary secretary probably will not be able to provide that response to you directly anyway. I thought you were doing quite well.

Hon COLIN HOLT: I thought I was doing quite well too, thank you, Madam President.

The PRESIDENT: You might want to just focus on your budget statement.

Hon COLIN HOLT: He did ask me a direct question, so I was happy to respond.

The PRESIDENT: Yes, I know; it was an unruly interjection.

Hon COLIN HOLT: Maybe we will come back and ask the parliamentary secretary during question time how the government will deliver on that promising project.

Thank you, Madam President. I will allow someone else to make a contribution.

HON TJORN SIBMA (North Metropolitan) [2.55 pm]: Thank you very much, Madam President, for this opportunity.

Sorry, member, I was not intending to encourage any unruly interjection towards the latter part of your contribution. I hope you will forgive me, Madam President, for my involvement in that.

I want to make some passing remarks on the budget that has been tabled. I feel I am in a somewhat better position to do so now, after last week's budget estimates process, and I will go into some of the exchanges and information elicited through that process.

I do not think I am deviating too much from the assessment of most members of this chamber when I say that although we all welcome the surplus, confected as it is, it is a surplus built on good luck, good timing, the federal coalition's GST fix and, frankly, the hard work and sacrifice of many Western Australian households, and we should never forget that. The disappointing aspect of it, though, is that there is still no economic strategy for Western Australia. The last nearly two and a half years of the McGowan Labor government have demonstrated a preponderance of plans and planning for planning's sake. There has been the formation of a plethora of committees investigating issues and subcommittees investigating the issues that the other committees need to delegate to them. There has been the outsourcing of developing an infrastructure vision and plan through the concoction of the Infrastructure Western Australia government trading enterprise or quango or whatever form it might take.

I think the fair way to judge any budget is by the metrics and targets that the government sets for itself. Throughout 2016 and early 2017, the Labor Party campaigned on three things—jobs, debt and Metronet. This being the third budget of the McGowan Labor government, I think it is worthwhile having a look at how well it has fared. On the jobs front, Western Australia records a 6.3 per cent unemployment rate. Somewhere north of 90 000 Western Australians are out of work. We have seen debt grow and there is really no realistic or tangible manner by which the government intends to tackle debt. With respect to Metronet, after three budgets, with the exception of what is going on with the Forrestfield–Airport Link, a project that was rebranded and co-opted into the Metronet fold, we have not seen one single inch of track laid. That project will have an impact on the last issue I spoke about, which was debt, because the capital expenditure attached to the various subcomponents of the Metronet scheme is likely to add many billions of dollars to state debt. That debt is hidden outside the estimates.

It is also important to look at any budget in its context. The very first budget, the 2017–18 state budget, delivered by the Treasurer and read into this place certainly attempted to place itself in the context of previous budgets. However, I observe that there is a tendency towards some historical revisionism when looking at the way in which finances were managed in previous times. That political task of revisionism is sometimes enabled by the mists of time and relevant facts are withheld. I attempt to be reasonably pragmatic and balanced in my assessments, particularly of budgets, because they are largely dry issues, but one facet of this government's economic strategy seems to be based purely on deriding what has come before it. There have been plenty of opportunities to criticise the previous Barnett government, one of which was taken up by the population in March 2017. If we want a balanced and sensible discussion about financial management in this state, we have to agree on some historical facts.

One fact that was overlooked in this government's criticism of the previous government's management was the shock of the size of Tasmania's population moving to Western Australia within a decade. That supply-side shock of population growth was accommodated without any failure in critical infrastructure or in the provision of services such as education and health. I remind members that it is worthwhile holding up the exemplary examples of the energy and education systems under the Barnett government and comparing them with the failures, particularly the failures in its last term, of the previous Labor government between 2005 and 2008. As I said, though, we have to start somewhere. We have to put where we are now into proper context.

I want to concentrate on a couple of areas of government financial management, particularly as they relate to the public sector and public sector wages. The very first budget of this government, the 2017–18 budget, introduced a scheme called the voluntary targeted separation scheme. The voluntary targeted separation scheme was part of the government's budget repair strategy. The intention was for 3 000 full-time equivalent public sector employees to be separated, with priority given to agencies subject to the recent machinery-of-government changes. I will get to that a little later. I quote from the Treasurer's 2017–18 budget speech —

Importantly, 20 percent of the savings from this scheme will be retained by participating agencies to invest in workforce renewal, with a focus on digital transformation, frontline services, and the recruitment of entry-level employees;

That was the intention in 2017–18. The following year, the Treasurer provided this update in his budget speech —

- our Voluntary Targeted Separation Scheme, while not concluding as quickly as originally anticipated, is still on track to achieve the full 3,000 separation target, with over 2,000 separations expected to be finalised by 30 June 2018 and estimated gross savings of \$1.1 billion anticipated over the forward estimates period;

Right. During the budget estimates hearings, the Minister for Environment representing the Treasurer identified that we have still not reached the 3 000 FTE separation target, but we are getting close. Omitted from that answer, however, was that there has been net growth in the number of FTE in the public sector by 3 800 people. Nearly 3 000 people have been paid out at an expense equivalent to around \$2 million, but 3 800 additional staff have been taken on. I observed, two budget estimates hearings ago, that if the government was serious about using a VTSS-like scheme in part to deliver budget repair, it had to lock in those savings by potentially putting a freeze on employment. When I made that suggestion, the Treasury officials looked a little bit aghast. I do not know whether that was because they were genuinely frightened of the suggestion or perhaps they had previously provided that suggestion to the government and the government refused to take it up. We now effectively have growth in the public sector of some 6 800 people, because we paid out 3 000 people and we hired a further 3 800 people.

I will refer a little to the machinery-of-government changes. Last year, the Auditor General made an interesting assessment in the “Audit Results Report—Annual 2017–18 Financial Audits of State Government Entities” of 7 November 2018. The machinery-of-government changes were this great smashing together of public sector agencies in a measure to effect or concoct the appearance of some streamlining. That is very easy to draw on the back of an envelope, but it is very difficult to execute in a way that does not compromise service delivery, undermine morale or cause additional costs. I again draw people's attention to the AG's observation of the MOG program —

- progress with amalgamating systems of the various constituent entities is slow, with most departments continuing to operate on several financial, human resource and administrative systems. This is impacting the realisation of cost savings that can be achieved by rationalising systems.

That is a fail. The cost of that failure is not yet clear, although it is somewhat clear in at least the case of the Department of Primary Industries and Regional Development, because that agency is struggling with these changes. In the current budget, it has received an appropriation of some \$12 million to help it along the way. That does not indicate that the scheme was well thought through at inception.

In the last budget, the government set itself an ambitious target of 0.9 per cent growth in public sector wages. That was largely affected by the transitioning out of some hundreds of people from the Department of Communities as a result of the state's participation in the NDIS. This year, the government has set itself a 1.5 per cent growth target. Those targets will be achieved as long as the state wages policy is held to. I cannot help but observe, in recent days, news about the government's offer to the Community and Public Sector Union—Civil Service Association of WA about an additional leave day and additional time off to attend union meetings and the like. The government, to the best of my knowledge, has not attempted to cost that policy. I heard aspects of the responsible minister's interview with Gareth Parker today on 6PR. I did not hear all of it but I heard some of it. The minister seemed to intimate that no financial cost was associated with that policy. I am not as confident that that will be the case and I am concerned that the precedent established for general government staff will impact on the government's negotiating position for a range of other expiring industrial agreements over the next six to 12 months.

I will list what they might be. Western Australian police officers are in the midst of negotiating a new industrial agreement. Some aspects of their response to the largesse that will be provided to more than 30 000 public servants and general government officers are unprintable or unpublishable. I forecast also the 5 000 medical practitioners in the Western Australian health system; the 16 000 health salaried officers in the public sector, whose agreement will expire in June 2020; TAFE lecturers; Main Roads WA staff; fire service officers; and teachers and administrators. The most balanced view that I can provide is that the government is at risk of breaching its own very optimistic target.

I am struck by one particular aspect of this new wages deal. That is the increasing liability on the balance sheet of accumulated leave. The liability for pro-rata long service leave, sick leave, accrued annual leave and other forms of leave across the public sector is around \$2 billion a year. The Premier complained, in the midst of his government's purge of senior public servants, that the payouts were far in excess of what he had anticipated. One of the drivers behind that was accumulated annual leave liability. People had been banking their leave to guard against uncertainty. The Premier has put this issue on the agenda previously. The Premier has also said that this is a significant issue affecting the management of the state's finances. Over the last 12 to 18 months, I have been tracking the accumulated annual leave liability across the entire public sector. These statistics are incomplete, because some ministers are more timely in getting responses to me than others. However, as at 30 December last year, the accumulated annual leave liability was worth over half a billion dollars. My problem is not with that total amount; it is with how much of that leave can be considered to be excessive. The fact is that \$316 million of the \$580 million of accrued annual leave that I have been able to identify is held by people who have accumulated in excess of eight weeks' annual leave. The implication is that these people have not taken annual leave in two years. The people who hold the majority of that liability comprise 16 per cent of the public sector workforce. That is not an acceptable management practice.

However, it gets worse. The problem area is the Western Australian health system. The fact is that 10 000 of the 14 000 to 15 000 public servants who have accrued more than eight weeks annual leave are in the health system. This is not the entire health system—this is just the metropolitan health services, the Western Australian Country Health Service, the child and adolescent health services, and the Department of Health. Those health services hold \$220 million, or 67 per cent, of the \$316 million accrued annual leave liability. I do not necessarily know what is going on in the health system, but all indicators point to the health system being very unhealthy. I know that both the Treasurer and the Premier are interested in this matter. I would encourage them to ask some searching questions of their Minister for Health and ask him to investigate the damage that excessive annual leave liability is causing to the welfare of staff and to standards of clinical practice. As much as it is a financial issue, it is also a human performance and welfare issue, and it is time that it was treated seriously.

I have identified a number of failures in the performance of this government, both small and large. I do not mean to be provocative, but over the last few months I have formed the view that, in the absence of progress against the big areas of Metronet, debt and jobs, the government has run out of ideas. The cupboard is somewhat bare. I originally thought that was an uncharitable view to take. However, I then discovered that the government has put together a virtual ideas box, at the princely cost of \$566 000, to which people can submit their ideas. I acknowledge the good work of the WA Nationals on this matter. The government knows that it has run out of ideas. I refer to an article in yesterday's *The West Australian* by Nick Butterly, headed "\$566,000 ideas box: McGowan seeks policies". The article states, in part —

WA taxpayers have forked out more than half a million dollars for a virtual "ideas box" for public servants, leading to claims the McGowan Government has run out of policies.

Indeed, it has. I will offer a few ideas of my own. It will not require a virtual ideas box. It will not require taxpayers to fund the system.

Hon Jim Chown interjected.

Hon TJORN SIBMA: Okay; we can do that.

The first is that the government should start to treat households with some care and respect. The second is that the government should start to fulfil its election commitments in full, as they were stated. The third is that the government should start to treat the domestic economy with a degree of seriousness. I would be the first to applaud sound financial management, and the government should focus on ensuring that it runs a clean set of books. However, the government should not prioritise that over the emerging and very desperate needs in the entirety of the Western Australian economy. The Western Australian economy is not travelling well. The government needs to put its budget in perspective and look at what has come before. Western Australian households are at least \$850 a year out of pocket because of the increases in fees and charges over the last three budgets. Power prices have increased by between 25 per cent and 30 per cent in a very short time. The Economic Regulation Authority's report on the level of electricity disconnections makes sobering reading. In 2017–18, in excess of 19 000 Western Australians had their electricity supply disconnected because they could not pay their bills. Western Australia had a higher

rate of disconnections than New South Wales, South Australia and Victoria. Water charges have also increased. I could not help but notice the serious imbalance and lack of fairness in the last budget, when the government singled out families, in particular large families, which do not have much discretion over their water consumption, to enable it to engage in budget repair. People who, because of their domestic circumstances do not have a great capacity to reduce their water consumption, are not only being punished, but are also pilloried as being water guzzlers. That is completely unwarranted and unfair.

However, I also reflect on the comments of the previous chief executive officer of the Water Corporation, Sue Murphy, who effectively was agreeing with an earlier Economic Regulation Authority assessment that in some water service charge domains the government was gouging the taxpayer. I recall her view was that although she might dispute some of the technical calculations—that was the gist—it was not up to her; it was up to the government. That was exactly the case; it was up to the government. I also recall the Premier being not particularly sensitive to that and saying, “Bad luck. That’s what we have to do to pay debt and to pay for services.” That is the justification for the rip-off.

There are 140 000 households in Western Australia under some degree of mortgage stress—that is, 30 per cent or more of their pre-tax income is spent on their mortgage or meeting their housing needs—and of the approximately 940 000 households in Western Australia, according to the 2016 census, that is an exceptionally high number. Fifteen per cent of Western Australian households are under mortgage stress. If we combine that with the 100 000 or so households that are in a state of negative equity, we start to see some really strong signs of stress throughout the community. Negative equity is horrible because it affects people both financially and psychologically. It should be no surprise that more than a month ago the federal Australian Labor Party was delivered a very strong rebuke from Western Australia. It was clear at a state and federal level that Labor had no consciousness, no awareness and no sensitivity to people’s individual circumstances. The electorate will never forgive this government for that and its third budget demonstrates that it has not learnt that lesson either.

Although I mentioned election commitments, I want to speak about only one, because I think it is emblematic of this style of government, of its modus operandi, and its commitment to spin over substance, to words rather than deeds and committees rather than fulfilment of commitments. It is also an issue that is dear to the heart of people in my electorate of the North Metropolitan Region, and that is the Joondalup Health Campus expansion project. The then opposition, the now McGowan Labor government, committed \$167 million to expand Joondalup Health Campus. It issued press release after press release, provided fodder to local community newspapers, and has followed up in government by issuing a number of press statements. To clarify what it was, I refer to a press release of 4 February 2017, titled “WA Labor’s fresh approach to health care in the northern suburbs”. The subtitle is “A McGowan Labor Government will invest \$167million to expand the Joondalup Health Campus”. It reads —

A McGowan Labor Government will invest an additional \$167 million to expand Joondalup Health Campus and usher in a new era of health care in the northern suburbs, providing health care where people live and when they need it.

It is all quite laudable stuff. It goes on to explain some of the elements of this plan, a couple of which are worth mentioning because I will reflect on them later. It continues —

The funding will allow the hospital’s emergency department to be expanded, opening an additional 90 public beds and eight new operating theatres.

WA Labor will deliver up to 30 additional mental health beds at the campus to help address the chronic shortage in the northern suburbs.

A six bed Stroke Unit will also be delivered.

It seems to be reasonably well thought through and a considered and targeted amount. The *Joondalup Weekender* a few days after 9 February ran with that. A story by journalist Mark Donaldson states —

THERE is one entity that already appears a certain winner in the March State Election and it is not Labor or the Liberals.

Joondalup Health Campus is set to benefit no matter which party wins the poll after Labor on Saturday committed \$167 million to the hospital.

The anticipation and expectation is building. Repeated commitments and assurances by the Labor Party certainly convinced local media that the now government was serious. I now reflect on this sad fact: this is the third budget in a row that contains no state government funding for the expansion of Joondalup Health Campus—none. Before I had an opportunity last week to seek clarity from Department of Health officials during the estimates hearings, on 14 May I had asked the Minister for Health, through the parliamentary secretary in this place, where that money was. I was seeking an understanding of what the \$158.7 million provisioned for under the title “Works in Progress”

referred to and whether or not that was commonwealth money. Then I asked: if it is, where is the state government's commitment? The answer, I think, encapsulates a style of conduct and communication, and a certain disposition in answering questions that are pretty straightforward, that bespeaks a shifty, shady, sneaky way of engaging, and it does not become any government, let alone the McGowan Labor government that campaigned on the glasnost of openness, transparency and accountability—a mantra more honoured in the breach than in the observance. But we will have plenty of opportunities, I presume, throughout the rest of this week and in the weeks that lay ahead of us to reflect on that commitment.

The answer I received was juvenile. It was that of that commonwealth money provided more than 12 months ago, yes, it was commonwealth money. We were told that the state had successfully negotiated \$158 million in funding from the commonwealth under the project agreement for WA hospitals, so it was not that the commonwealth had given the government money, it was that the state government had successfully negotiated that amount. But what the state government has not been able to do is successfully negotiate the \$167 million from itself to fulfil the commitment it gave earlier, and I want to know why. I do not think it takes two and a half years to develop a project definition plan. Whenever I ask about where this project is up to, that is the answer I get—again, this is government by committee. I do not think, hand on heart, that we are going to see any physical expansion or transformation at Joondalup Health Campus before this term of government ends. After four years, there has been all talk and no action. I must say this: it is not as though the government is blind to the public need. In fact, the justification for funding the plan that was put forward in the first place was that we do not want people from the northern suburbs clogging up emergency rooms at Royal Perth Hospital, Sir Charles Gairdner Hospital or, heaven forbid, Fiona Stanley Hospital, and they deserved good, high-quality, tertiary health care somewhere close to their home. I quote a McGowan Labor government media release of 24 June 2017 that says —

Northern suburbs residents to benefit from the Joondalup hospital expansion.

They will benefit at some stage. They have not benefited yet. In terms of the justification provided two years and one day ago—on 24 June 2017—the media statement continues —

Last year, —

That must be referring to the year 2016 —

the Joondalup Health Campus emergency department had close to 100,000 presentations, making it one of the busiest EDs in the nation, a position it has held for some years now.

It is likely to hold that position for a few more years, noting that the McGowan Labor government has done absolutely nothing—zero, zilch. We have a state election in around 20 months and I cannot help but think that all those wide-eyed and bushy-tailed members from Butler, Burns Beach, Kingsley, Joondalup and Wanneroo will be going to the electorate at that time pointing to what they have delivered. They might have some things to point to. One thing they absolutely will not be able to point to is an expanded Joondalup Health Campus. That is a shame. I really wonder what kind of advocacy takes place in caucus. Whatever is going on does not seem to be resulting in anything tangible. It is certainly not resulting in the fulfilment of a very clear and tangible commitment made repeatedly by the McGowan Labor government.

It is also worth reflecting on health. It was not my intended theme but it has become one. It is a critical area for this government. It is a policy domain and a service line where I see multiple failures. This is consistent with the trajectory of the health portfolio under earlier Labor governments. I think it is repeating history with ED wait times, ambulance ramping, critical shortages in surgical skills and the like. The government's failure to build hospitals that it commits to points to a very unhealthy set of circumstances.

I mentioned something earlier, but I will not dwell on it because my time will run out. In all this discussion, the situation and circumstances of businesses, particularly small to medium enterprises in the real domestic economy of this state, are generally going unspoken and their needs are unmet. The state Treasury has a preoccupation. Its priority is managing the state's finances. I do not necessarily see an equal commitment given to providing to government sound economic policy to kickstart the economy. If we take away the trade-exposed sector, the story is very negative. I can quote from the CommSec report that I have before me, which shows that Western Australia is either last or second last in just about every index, whether it be economic growth, retail spending, equipment investment, employment, unemployment, construction work, housing finance or the like. Western Australia is dragging the chain and has been for the past two years, since the election of the McGowan government. I will reflect on this.

Before we came back to Parliament this year, the government released its policy document “Our Priorities: Sharing Prosperity”. Cynically, I looked at this document as coming on the back of some consistently unfortunate unemployment results. The unemployment rate is now 6.3 per cent. The policy document attempted to restate the McGowan government's commitment to jobs. I recall the Premier patting himself on the back for setting what was

claimed to be a stretch target of 150 000 jobs by 2023–24. It is sometimes helpful to reflect on what one has said earlier in one's own budget papers. I think two budgets ago, it was said that the business-as-usual organic jobs growth quantum would result in 200 000 jobs being created within the same time scale. We can look at that and ask why 150 000 jobs is a stretch target now and why 200 000 jobs two years ago was just business as usual. What does that say about the economic conditions facing Western Australia at the moment? What does it say about this government's capacity to understand those issues or to kickstart investment and boost confidence? I do not think it says a hell of a lot that is complimentary. This is the thing that will get the government.

People are unhappy. People are struggling. Nearly 30 000 small to medium enterprises in Western Australia have dropped off the cliff in the past two years and we have heard almost not a peep from the government. These people will not forget. If the government is serious and if it is a government of jobs and economic growth, it needs to start looking for solutions to grow the domestic economy, increase investment and set targets that are reasonable and achievable.

This was not intended to be rude but I was staggered by Treasury's very optimistic forecasts around growth in dwelling investment. I know that Hon Dr Steve Thomas mentioned this issue in his budget reply speech. Last week I took the opportunity to ask the Under Treasurer, Mr Barnes, whether he stood by his estimates, particularly on this score and across the board. I am not impugning any improper motives here. He is a genuine individual, and Treasury is full of professional people, but its forecast on that particular index is completely and utterly unjustifiable and inconsistent with the experience of the construction sector in Western Australia at the moment. Mention was made that that forecast was concocted or drafted in consultation with industry. One industry association got back to me very quickly after that claim was made and said that that does not square with how it sees this sector progressing. A nine per cent turnaround in two years in dwelling investment is completely and utterly unrealistic. It is fantasy. When I asked when this kind of growth was last experienced in Western Australia, I think the answer came back that it was somewhere around 2003 or 2004. I asked, "Can you think about what kind of economic factors were also in play in Western Australia in 2003 and 2004 and how they might have changed?" and there were crickets in response.

One thing we can do that is constructive is to look at how we burden business unnecessarily. There have been many conversations, debates and motions and fine words spoken in this place about the invidious and dampening nature of payroll tax in Western Australia. It is time to look at this a little more seriously than we have. I think most members are familiar with payroll tax but might want to reflect on how we have stratified this tax over the years. We have these bizarre bandwidth thresholds that cut in. The lowest tax threshold for companies is between \$850 000 and \$7.5 million. There is quite a bit of diversity in that group. There are a few more scales. There is \$7.5 million to \$100 million, and \$100 million to \$1.5 billion, and then there is the rate that kicks in for companies that are above that \$1.5 billion. This year I think there is an anticipated contribution to government revenue of \$3.5 billion out of payroll tax, which will contribute to around \$31.5 billion overall. Payroll tax is an important component of this government's tax structure, as it was for the previous government and the government before that. The rate is around 10 per cent. I put to the government that it might take this a little more seriously than it has and attempt to provide some relief in the economy where it is needed the most. Those people at the lowest scale—those between the \$850 000 and \$7.5 million threshold—comprise nearly 60 per cent of all businesses that pay payroll tax in Western Australia. There are more than 7 600 of those, but collectively they usually provide around 13 per cent of the total taxation revenue derived from payroll tax in any given year. That represents one per cent of government revenue, year in, year out. When there are significant deviations in forecasting of a couple of percentage points either way—Treasury is normally very happy to hit within five per cent of target—one might think that a government forgoing one per cent of its revenue might be an issue worth considering.

Like the previous speaker, I am mindful of the fact that there is a legislative program to get on with. I will conclude by saying: this is the third budget in a row that has either neglected or punished households; it is the third budget in a row under which not a single inch of track of Metronet has been laid; it is the third budget in a row in which there has been no sensible progress made on debt relief; and it is the third budget in a row that has neglected the screaming needs of small to medium enterprise in this state. This is the third-quarter mark of this government; I look forward to a dispiriting fourth instalment. With that, I will sit down.

HON COLIN TINCKNELL (South West) [3.41 pm]: I would like to start off my contribution to this debate by talking about the obvious economic outlook. I also serve on the Standing Committee on Estimates and Financial Operations, and it is fairly clear to me that there is still a long way to go, even though there are some green shoots for the future. This is the McGowan government's third budget, but it still likes to talk about the previous government. I would like to see that behaviour stop, because it now has been well over two years. I would like it to take everything on board and take full responsibility for everything now, from here on in.

The government has been able to produce a \$553 million surplus, which is welcome; I think that represents a \$1.2 billion turnaround, as indicated in the midyear review. Most of that comes from GST top-ups, the 70¢ floor and iron ore royalties. It is important to note that our own Pauline Hanson's One Nation senator did some heavy

lifting on the GST and was one of the senators in federal Parliament who continued to push Western Australia's GST plight; I want to make sure that people do not forget that. He put a GST motion to the Senate, and not one WA senator supported him. Labor voted no and the Libs abstained, so that showed a lack of guts. The Western Australian senators should have supported our senator at that time. For me, the worst part of this budget is that the surplus is off the back of Western Australians; it is not a result of brilliant economic management. I want to talk about that a little more and I will also talk about the cost of living.

This government has never really had a revenue problem. Revenue is coming in pretty well right now, and that has been a problem for Labor governments in the past; they have had spending problems in the past, and it is quite clear that that continues with this government. Given the surplus, maybe the government should be doing more for public servants, police, nurses and teachers. That is not quite evident at this stage; a lot more needs to be done.

I return to the cost of living and the fact that the brunt of the surplus is being worn and paid for by the average householders of Western Australia. Household costs have gone through the roof. I know the recent increases in charges have been minimal, but many households are still struggling to cope with the increases in the McGowan government's first budget, which was pretty brutal in energy and general household costs. There was an increase in uptake of the hardship utility grant scheme, and it was not as a result of abuse of the system; it happened because a lot more people are now accessing that program, and that is a fair indication of where a lot of Western Australian households now stand. They are struggling and they are having a hard time paying their bills. The HUGS program was about easing the pain and making it easier for them. The fact that it now has stricter criteria has not really helped that situation; it has made it worse. More money spent on bills means less money to spend in the economy, and the government is now paying for the policies of its first budget. We know that there is a lot less available cash in the market and that retailers are not doing well, and part of that is that people just do not have excess money to spend because it is being spent on increased bills.

More stress at home also leads to greater pressures on marriages and partnerships, which in turn leads to drug and alcohol abuse, domestic violence, the breakdown of families and crime et cetera. It is a major problem. The cost of living was one of the three things that was mentioned at the last state election. Just over two years ago, when the Labor Party won government, the three things that were most important to Western Australians were the cost of living, employment, and drugs and crime. Those were the three most important things. At this stage, we are still lacking in all those areas.

Recently Pauline Hanson's One Nation was supported by five other parties in this house in passing a motion calling for a discount and concession on stamp duty. We were not talking about people who have not delivered for this state; we were talking about people who have delivered for many years, and we were looking at a stamp duty concession for those people so that they can sell their home and make it available for young families so that they do not have to move 75 kilometres north or south of Perth, but rather buy a smaller home in the metro area, while hopefully improving their old home and once again turn it into the wonderful family home it had previously been, 50 years earlier. That would allow retirees to move into a smaller home and have extra cash available to spend on their retirement. That would result in fewer costs for the people of Western Australia.

Unfortunately, the government has not at this time acted on that, but it was quite clear that the proposal had majority support in this house. Those six parties represent about two-thirds of all Western Australians. It is an obvious move that needs to happen. As I mentioned before, a bit of support for that motion could result in people having more equity and more to spend and drawing smaller pensions from the government. This is a perfect example of what we have been talking about: lower government costs will boost the economy. It needs to happen; the money is not available. Retailers are suffering, small businesses are suffering and large businesses are suffering, which means less employment, more people going on the dole, fewer people paying income tax and—even though I hate payroll tax, and we should not have it—fewer people paying payroll tax, because there are fewer people employed. Small businesses are operating in a situation in which the costs are just too high, and it is making things very difficult for them. Landlords continue to put up rents. We saw that the other day in Beaufort Street—a ridiculous situation in which rents were going up 20 per cent while things were getting worse. That is happening right across the board in many places. Landlords need to understand that the boom was a while ago, and rents need either to remain the same or reduce, not increase, at this stage. As I talked about before, we have seen increases in utility charges, petrol, taxes and licensing fees. How can businesses increase wages while they are paying all these extra taxes and fees? They cannot, and that is why we have seen either stagnation or lowering of wages, in both big and small businesses, and people being laid off. Because of the extra expenses, there is just no room for them to increase wages. Increased costs lower wage growth, and people who are not in full-time jobs will get fewer hours on fewer days, and will become part of a growing group of underemployed people. Underemployment used to be an American phenomenon, but it is now becoming normal in Western Australia, and that is not good for Western Australians. The government needs to change some of its policies to make it easier for small businesses to employ people full time, and increasing charges does not help that. The government needs to reduce those charges, and reduce red tape and green tape as much as it can.

I now come back to the most important tax that needs to go. Hon Tjorn Sibma touched on payroll tax exemptions. At the bare minimum, there must be incentives for regional areas, or payroll tax needs to be scrapped in regional areas. The threshold needs to rise substantially. Even raising the threshold by \$100 000 would create 900 jobs tomorrow. That is a lot of income for a lot of families, who now do not need to have those tough discussions about income, and we know what that can lead to. This government needs to make a number of moves, but payroll tax would be number one on the list right now. My party has been calling for this since the day we entered Parliament, and we put up that motion.

I move on to affordable housing and homelessness. Most of us have seen stories in the paper recently about groups of people in the Rockingham area, but homelessness does not happen only in Rockingham. Most of us have been fortunate enough to travel around the world over the last 10 or 15 years, so homelessness is not new; we have seen it before. It can be seen at Venice Beach in Los Angeles, but it used to be a rare thing in the streets of Perth and its suburbs. It is not a rare thing anymore. People in this house and the other place need to work together to solve this scourge on our society. We know all the varied and different reasons for homelessness, and we need to look at that in every way we can. There should be no political pointscore on this; this issue involves all parties in this place and the other place, and we need to work together in a bipartisan way to solve homelessness. It is not an easy issue, and the McGowan government has a hard job to make some strides in that area.

For elderly people who did not save well, and do not own their homes, rents are still going up, but the pension is not going up. It is getting exceptionally hard for those people, and as they reach old age, palliative care facilities in regional areas are very poor. We know how good palliative care is in this state, but it is not available to enough people outside the metro area and the big regional centres. It needs to be available to a lot more people. We know that in the end it goes back onto nurses to conduct that palliative care after the training they get from the experts. It is very difficult, and it is lacking.

Housing cost—mortgage or rent—is the biggest factor in the cost of living. It is a big issue, but we do not want the price of housing to fall rapidly, nor do we want it to rise rapidly. We need to support the industry in making sure that it reflects the economic times. It is not an easy mix to get, so we need to work closely with the industry to get young people into homes, and help older people downsize their homes. We need to work out how to do that even better than we are doing it now. There are some good initiatives. I talked before about stamp duty concessions for older people. We encourage younger people to buy new homes, and they will get a new home buyers grant. I would like to see that extended into established homes, so that the benefit does not go only to the large home builders. We could really assist small tradespeople in improving some of the older homes. I am not talking about the big, flash expensive houses, but we should put an incentive into helping people improve older homes. We need to be more flexible and think outside the square in that area. Smaller business people would be doing the renovations, which would be fantastic for them, because most of them are struggling at the moment, although not all of them. Instead of limiting the options, we need to bring in more flexibility.

Pushing further into outer suburbs, increasing the need for infrastructure such as roads, train lines, schools and hospitals, is the most expensive option, but that is the system we are encouraging at the moment. We do see infill, but, quite honestly, it is very hard to buy an inner-suburban home, even if it is a unit. It is very expensive. We are encouraging people, by the way we run our programs and incentives, to move into those outer suburbs, which is increasing the infrastructure costs on this government and the next government. We need to look at a better way of doing things, and making the incentives more flexible would help that. We have at the moment a rich–poor divide between home owners and renters, and we need to try to get more people into homes. A lot of Australians have given up on the dream of buying their own home, and we need to try to help them revive that dream. Once again, this problem cannot be solved in the term of one government. It must be bipartisan, and the government must work over many years to make the difference. No one can become a home owner overnight. I was going to talk a bit about apartments, but I will leave that for later on.

I want to go back now to a hot point in the last election that should never have been a hot point. It is a shame that Roe 8 became a political football, leading to that disaster out there. I do not live in Melville, but I have family who do. I have family who are engineers in Melville. I have family who have been working on that structure for 35 or 40 years. I also have the results of two City of Melville surveys in which 70 or 80 per cent have voted for Roe 8 to continue. They did not care about the political football going on between the previous government and this government. They wanted it to go ahead because it would alleviate traffic congestion and make things easier for traffic in that area. Forget about Fremantle or the outer harbour; it was needed right there and then. It was planned in the 1950s and 1960s because we knew it would become a problem in the future. Now people are trying to change it so it cannot be built even in the future. That is a diabolical attitude towards planning. That should never happen. If in 10 or 15 years it needs to go ahead, it should be built. It should not be turned into a political football so that we cannot build it.

I know that the previous government did not approach it in the right manner at the right time but that does not mean it should not go ahead. When we look at Roe 8 and the deviation past the Beeliar wetlands, we see that it

does not go through the wetlands, as the newspapers would have us believe at times; it is within 150 to 200 metres west of that. We could have built a tunnel before the Tuart trees were chopped down. That was a mistake. It is all sand and limestone. Engineers tell me that it would have been as cheap to build a tunnel through that area, and Roe 8 would not have caused the great pain that it has. We have federal money and that project should go ahead. Unfortunately, I can see that it will not go ahead under this government. If Labor wins government again, I imagine it will be a problem for many years to come, and that is a real shame for the people of Melville, who really need their roads to be improved. People just need to drive on Leach Highway and they will see what a mess it is there.

We had this debate the other day. Funding for infrastructure needs really good planning. I applaud the government for bringing in a plan for long-term future funding. I am not necessarily happy with exactly the way it is being done, but we have needed this for a long, long time in this state. Until we get federal money, a lot of infrastructure projects will not go ahead because they are beyond the realms of state funding. We need funding from the federal government. I applaud this government for doing that. I want to see that we do not use infrastructure as a political football in the future. Getting the infrastructure right is crucial to the future of Western Australians and the jobs that can be created. We know that the federal government will not fund us if our infrastructure is not well planned. It has funded other states before us because they have had better plans than we had for the future, and we have been missing out on money. As I said before, I want to put this point over: stop listening to the vocal advocacy groups and listen more to the local population of Melville when it comes to Roe 8.

Let us look at Metronet. I am glad the government is going ahead with Metronet. It has been touting Metronet for a long time now. It won the last election fair and square and it deserves to be able to build it. However, I caution the government on trying to build it in a big hurry in one or two terms. Sometimes massive infrastructure needs to be built, but it needs to be built within a budget. Right now, the green shoots in Western Australia are only just starting to show. We do not know how long they will last. The Ellenbrook rail line has been on the books for a long time and I would like to see it go through. The people of Ellenbrook have been let down by previous governments and I would like to see that development go through. I have lived in the northern suburbs for many years and I do not believe a Yanchep rail is needed right now, although it will be in the future. It is something that could be delayed. There are areas in which Metronet is urgent and other areas in which it could be delayed a bit longer before we spend the extra money that we possibly cannot afford.

As I said, long-term planning is very important. I refer to planning for tourism in this state. We know that we are one of the best states in Australia when it comes to tourism. Western Australia is an exceptional place. It is diverse in animal life and food. There is great diversity from the deserts to the south west to our unbelievable coastline—the west and south coastlines are better than those anywhere else in the world. I have been to the so-called best beaches around the world and I realise that they are not the best beaches in the world. We have them all here. However, when we go to one of our great beaches, even in the metropolitan area, what we can do is fairly limited. At some of the places that are now household names around the world, it is a lot easier to hire a bike, get some jet skis or whatever than it is at Perth beaches. It can happen in Perth, but I believe we could make those facilities a lot more available in destinations such as Scarborough, Cottesloe, City Beach or Elizabeth Quay. It does not always have to be on the beach; it could also be on the river. There are many other places in the southern suburbs. I know the northern suburbs well because I have spent a lot of my life up that way. However, I do not think we do tourism well enough. Right now, the development happening at Scarborough Beach is fantastic, but, in doing that, it has become nearly impossible for people to park there. A bus service that used to run between Fremantle and Whitfords is non-existent. We need a better metropolitan bus service given a train service does not run there. The area needs to improve. Parking is near on impossible and people, including the staff at the beautiful new complexes, restaurants, hotels and whatever, are juggling parking all day and getting fines. It has become a bit of a mess. It was not well planned or worked out together. Sometimes we are too keen to get the income and taxes from the hotels, the beachfront and the shops. We need to plan better. Scarborough is a good example of average planning at best. Scarborough is better than it used to be, but it could be much better when we compare it with other places. Let us look at the Busselton beachfront right now, which has been very well planned, with plenty of parking. People flock from everywhere to that beachfront. There is something for everyone at the Busselton beachfront. I am a bit biased because that is my home town.

I have moved away from the negatives of Roe 8 and I am trying to look at some of the positives. Tourism and the destinations that could deliver better for Western Australia provide a big income for the state. Yes, mining brings in the most income and agriculture is probably second or third. Tourism income comes in about third or fourth but it employs more people than all the other industries. Based on just that fact, it is very important to this state. However, tourism is struggling. We are doing some good things, but we are struggling to pick up tourism. It is a tough market so we need to look carefully at how we plan our infrastructure around our tourist destinations. We need to make it easier for the local population also to spend their money, although, as I mentioned before, of course household charges need to be lower before that will happen.

It is a bit embarrassing to be a member of Parliament when we see the obvious pork-barrelling that goes on. I was hoping that that had finished in the last government, but I have seen it now in this government and that is very disappointing. When we are supposed to be tight with funds, obvious pork-barrelling is happening. When I see that somewhere in the region of a million dollars has been spent in Labor electorates and only \$84 000 has been spent in non-Labor electorates, it is obvious what is going on. As a member of Parliament, it is embarrassing to even talk to the public about this. I am asked about these things all the time. When Barry Urban did what he did, that is not good for any of us in this place or the other place. We need to change that habit. One side or the other side—it does not matter. That obvious pork-barrelling has to leave our political scene. We need to treat all Western Australians equally. What about the Labor people who live in those non-Labor-held electorates? What must they think? It is wrong and embarrassing and we need to change that. I hope I never see that ever again.

Regional development is dear to my heart. I know that \$131.5 million has been allocated to regional development. Unfortunately, I also know that about one-third of that money was previously taken away by the government. It is not the rosy picture that the government paints. I find that once again there is a bit of smoke and mirrors. Obviously the public does not know about that, but we in this place and the other place have access to information and so we know these things, and that is very disappointing.

Areas in the south have had some pockets of drought, but overall we have been pretty fortunate. We produce possibly the best food in the world in that south region that I am lucky enough to represent. However, the government needs to help farmers and capitalise on this more. WA produce is the best in the world, as I mentioned, but we are also very isolated. To think that we are transporting produce from the south west to Perth to put on a plane is Third World stuff. We need Busselton–Margaret River Regional Airport to be improved even more. We need that investment and not to hold onto the funds until some airport outfit decides it wants to be involved. We need to be on the front foot and, with our tourism and airline expertise, help the Shire of Busselton turn that airport into an absolute plus for all the growers and industries in the south west and the agricultural regions. An example is truffles. The delay of transporting truffles to Perth and then transporting them to Europe or New York or wherever is just ridiculous. We should be transporting truffles straight out of Busselton–Margaret River airport. I am not talking about only a tourism case; I am talking more about the business that can be enhanced by getting the transport system working better. Reduced transport costs for regional areas would help the economy. It would make our food cheaper and, hopefully, our profits greater, because distance is a problem for this state. Travel and transport are costly. The better fiscal position can be used to help farmers. With the machinery-of-government changes and the Department of Agriculture and Food and the Department of Regional Development having merged, the government could be doing a lot more to help farmers.

I would like to see things improved upon, including the transition from live export into meat processing. I am a big supporter of live export, but I know that markets change and we need to continue to work on that and help the industry grow that market in this state. We know that live export is important and is vital to this state. However, that transition needs to be helped and grown. The Ord River scheme 2 is another area in which the government could do a lot more. Lots of people look at the Ord River and use it as a political football and do not really look at the benefits. Technology has come a long way since the Ord River irrigation scheme was built; it could still be one of the greatest things for this state in the future. We need to look at that and build on that.

We have seen the government arrest skills development and the loss to agriculture. Families are moving off farms. Kids are now deciding to do something else instead of taking over the farm from mum and dad and not going back into agriculture. We are losing those skills. We really need to encourage the return of much needed funding to vital works such as the state agricultural telecommunications infrastructure improvement fund, the regional development commission grants scheme and even the Rural, Regional, Remote Women's Network of Western Australia. The government could do a lot more to help those people. Because of the machinery-of-government changes that have been made, I think if we did that, we would see the benefits flow. When mining slows in this state, we hang off the back of agriculture and everything that comes with it—food—and we cannot do that if we do not really have it working well. The multibillion-dollar mining companies will be pumping out their ores and other products. However, mining is a bit different from farming. Farming needs the support of the government to bring it all together and to make sure that we work at a better rate than we have in the past. It comes back to Busselton airport. I cannot bring it up any more; we need to grow Busselton airport, especially in the business sense.

Looking at the Margaret River Pro and the Truffle Kerfuffle, we see that there are many big events in the south west that are well known, but there are many other events that are not very well known to the public of Perth, and I think we could better promote those events to them. It could be the cherry festival in Manjimup or the Pinjarra Festival. They are amazing events and the people of Perth love it when they get out of town and see that country atmosphere. We can all benefit when the people of Perth are better educated about rural and regional Australia, because they appreciate how good our food is and the quality of products from the country. It helps. The Royal Show does a good job but we need more than that. I would like to see not only those major events, such as the Margaret River Pro and the Truffle Kerfuffle, take all the limelight. Really, there are hundreds of events in the Agricultural Region. If

we were to go to the Mining and Pastoral Region and other areas, we would see exactly the same. We need to promote that even better through the local market.

The phrase “Collie transition” comes into play. Right now nothing is happening in Collie except a lot of talking. We could be taking action, but we are not. A lithium plant will be built in Kemerton. Albemarle has a contract and it handed out contracts to Cimtec and BGC, which will bring their workforces from Perth and house them at some resort at Preston Beach. All this is going on while we talk about the Collie transition. I am saying that we are doing nothing about the Collie transition other than talking. Steve McCartney is the union member who has been pretty outspoken about this. All the members of the south west and the Minister for Regional Development have been there and spoken to them. We have all said that we will work in a bipartisan way on this to get a result for Collie, yet we see now that a local workforce will not be used to build the plant. The lithium is coming out of Greenbushes and the plant is being built at Kemerton, just out of Bunbury. Hundreds of people in Bunbury, Collie, Busselton, Mandurah and that area have the skills to do any job that could ever become available in the lithium plant, and there are hundreds more who would rather come back from the north west and work in their local town. They also have the skills, but they have not been given the opportunity. No local contractors have been given contracts for this plant. No plan has been put in there. The government has been caught asleep on this one.

I do not like to team up with a union member, but, on this matter, Steve McCartney and the AWA are 100 per cent correct.

Hon Stephen Dawson interjected.

Hon COLIN TINCKNELL: The AMWU—the Australian metal workers union, or whatever.

Hon Stephen Dawson: The Australian Manufacturing Workers’ Union.

Hon COLIN TINCKNELL: All I can say is that he is correct on this. The people in Collie, Bunbury, Mandurah, Busselton and Wiluna—you name it—who are looking for jobs have been let down. There is a big skilled workforce in that area. We should not allow a Perth contractor, who has a standard agreement, to employ people from Perth and bus them to the south west. That is asleep-at-the-wheel sort of a stuff. American or Chinese companies that come to Australia need to understand that they must meet their social obligations. The obligation of corporate social responsibility is now new. It has been around for a long time. Where is the corporate social responsibility from those companies to the Kemerton community? I do not see it. Where is the government reminding them of their responsibilities? I do not see it. We keep talking about the Collie transition. That should be the first place to start. I am very disappointed. I thought the government would have supported the union and tried to get a local workforce in the south west. There is nothing wrong with people from Perth getting jobs in the south west. However, virtually 90 per cent to 100 per cent of the people in that workforce have come from Perth. That is crazy. I am pretty sure that most of my south west colleagues would support me on this, but they might not be able to talk about it. It is disappointing that there are no local projects, there is no local content and there is no local employment. There is not even an Aboriginal employment quota. There is absolutely nothing.

I have mentioned that more needs to be done in agriculture and food. The marketing of our produce needs to be improved. Great prices are being achieved for lamb, wine, truffles, apples and hemp—whatever we sell from the south west agricultural region. The industry is being unfairly attacked by vegan activists and by unwarranted scare campaigns about live exports. The government needs to stand up against this in the early days. The government has been dragged to the table on live exports. That is disappointing. I am all about the transition of industries, and that includes the agricultural industry. The farmers in this chamber would agree with me that farmers are fantastic when it comes to looking after their animals. They have been let down by the way in which this matter has been handled, even by the federal minister; it has not been well done. That should never have happened. We could improve animal welfare without going through what we have gone through. Some of our courts have handed out reasonably harsh penalties for vegan terrorists. However, a court in Victoria handed out a fine of only \$1. I hope we never follow that sort of behaviour. It is disgraceful. The government’s attitude to political correctness has ruled its actions in this area. The Minister for Agriculture and Food had a mindset at the start to end the live export trade. There is no doubt about that; it was quite obvious. That has had an economic impact on this state.

I turn now to jobs and training. I say to the Leader of the House and Minister for Education and Training that I do not have a background as a teacher—unlike Hon Peter Collier—but I know that training the youth of this state is one of the most important duties that we can ever perform. Our schools do a lot of great things. They have been fantastic over the years. This state has led the way in education in many areas. However, a lot more work needs to be done. We know that in order for our young people to get the jobs of the future, they need to learn STEM subjects, but this state is having difficulty getting STEM teachers and STEM students. We need to make STEM sexy again and let people know that that is their future. Nothing is wrong with being an engineer or a tradie or whatever, because they can earn enormous wages, in fantastic working conditions, whether they be fly in, fly out, or live in Port Hedland, Newman or Karratha, or even in the south west, in which there are just as many mines as there are in the goldfields. I do not know whether we have dropped our bundle on this. I am not a former education minister

and I am not the current education minister, but I know that they care about this, because I know how much they care about their portfolio. STEM needs to be improved. We need to do everything we can to get teachers back into STEM teaching our students.

A lot of things could be done to help small industries in the south west. The taxi industry in country areas is doing it tough. That issue needs to be resolved. We understand how the buyback started and where we are now. I would like to see more communication between the government and country taxi operators. The buyback was not handled well, and it needs to be improved. We need to adjust faster and better to new technologies and new industries. International and multinational companies like Uber and Ola do not pay tax in the countries in which they operate, and that model will take over everything: bed and breakfast, transport, tourism—you name it. The Ubers of this world will come into this state tenfold, and if we do not act quickly and work closely with other states and countries, we will always be chasing our tail, as we have done with the taxi industry. That was basically a complete bees-up; it was not handled well by anyone at any stage, and we have been left with a very unhappy taxi industry.

We now have talk about electronic gaming in our TABs. I know that if I started to talk about why we should not have pokie machines in our RSLs and sporting clubs, just about everyone in this place would support me. I do not know how we can talk about allowing gaming machines in TABs. I think we are going down a slippery slope. It is a major problem. It has been allowed to slip through. I would like to ensure that when that legislation gets to this house, it does not go any further. I would also like us to get more serious about gambling in general. We have seen the effect of gambling on AFL players. It is not just the guy from Collingwood Football Club; he is only one of the 70 per cent or 80 per cent of young AFL players today who have a gambling problem. The reason they have a gambling problem is that it has been made acceptable and normal, and we have made gambling too easy. Hon Aaron Stonehouse has talked about a nanny state—I do not want a nanny state—but there are certain areas that you just do not go into. I do not think electronic gaming machines will enhance the future of the people of Western Australia. I do not think they are a good thing. This state has survived for many years without any sort of pokie machines in our community, and we are the better for it. Our RSL clubs in this state do a lot more than the RSLs in the eastern states.

RSLs in the eastern states have a lot more money, but they have more social problems. When people go into RSLs in the eastern states, they get stuck on the pokies and do not talk to or communicate with anyone. Over here, veterans lend their ears and people do not get stuck on pokies. We need to stop that in its tracks. I could go on about that more, but it is a federal government issue so I will take it up with my federal colleagues.

We have an opportunity to bring in a lot more new industries. We have already talked about lithium.

Debate interrupted, pursuant to standing orders.

[Continued on page 4485.]