

McGOWAN GOVERNMENT — PERFORMANCE

Matter of Public Interest

THE SPEAKER (Mr P.B. Watson) informed the Assembly that he was in receipt within the prescribed time of a letter from the Leader of the Opposition seeking to debate a matter of public interest.

[In compliance with standing orders, at least five members rose in their places.]

DR M.D. NAHAN (Riverton — Leader of the Opposition) [3.03 pm]: I move —

That this house expresses concern over the failures of the McGowan government in its first parliamentary year, including cuts to frontline services, massive increases in the cost of living, broken promises and a lack of accountability and transparency.

It is time to reflect on the year that has just passed. This is the first parliamentary year of the McGowan government. It came in with probably the largest majority in this state's history after a whopping big election victory. I have to say that I could summarise that with two descriptors—dishonesty and duplicity; it showed the same in opposition and during the election campaign. The former opposition was of course the biggest fiscal wrecker of all. It spoke and voted against every reform action that we undertook—every one. The current Treasurer has agreed that that is what it did. Not only did it vote against every measure we took to restrain and, indeed, cut back the growth of expenditure, but also it argued for more and more and more. I remember the now member for Bateman responding to the budget speech in his first year here. He said he had sat through the budget responses of members of the opposition and totalled up what they asked for, and it exceeded way over \$1 billion worth of additional expenditure on top of an already large deficit.

Of course, the biggest falsehood or lie of all was the repeated claim that the GST distribution had had no negative impact or forced the deficit up. The former opposition said the GST share was always predictable, it was never a surprise and that the former government—and now this government—did not have a revenue problem; it had an expenditure problem. How the tables have turned.

During the election we saw the now government's pretty slick deal whereby it promised the magic pudding. It was to reduce debt; there would be no increases in taxes, fees and charges; no cuts to frontline services and \$5 billion worth of spending. Anybody seriously looking at that knew it was con job. That is what it was, but it worked and the Labor Party won government. Immediately upon getting into government the Labor Party tried to reinterpret history. All of a sudden the GST was a big issue—it was in fact the biggest issue facing the state. It cut expenditure and revenue, as it was doing to the government and maybe had in the past. The government flipped.

During the election campaign debt reduction was the big issue. If not the largest, it was one of the big issues that contributed to the loss of the Liberal–National government. Debt was too high, and it was going to increase. We came in with a debt reduction strategy that was coherent, complete, well defined and not radical because it had been done in most other states, including by the Victorian and South Australian Labor governments; that is, selling assets to pay down debt. It was voted out by the people of Western Australia, with the support of a whole range of heavy union campaigns. But it was real. While in opposition, this government said such a plan was not needed because it would pay down the debt like a mortgage. Well, that is a strange mortgage. It must have an interest-only mortgage, because all it is doing is paying interest on increasing amounts.

This government has had three different debt reduction programs that all turned out to be vacuous. During the election campaign it was when the iron ore price goes sky high and our GST share increases, it would pay down debt. That was never going to happen. That was a con job. The one it came up with in the budget was that if we had windfall revenues, they would be put it down to the debt; no budget predicts windfall revenues.

The bottom line is that this government came in promising to pay down debt because it was a major issue. What has happened? Properly adjusted, this year's deficit is the largest in this state's history; it is the largest increase in debt by any measure, in absolute terms relative to the forward estimates and the *Pre-election Financial Projections Statement*. In other words, the government came in promising that it would address the big fiscal problem and it has comprehensively failed to do so. Debt will go to \$44 billion on its books.

That is not all. It left out of the budget a whole raft of expenditure commitments, including the Ellenbrook line and the expansion of Joondalup Health Campus and Osborne Park Hospital. It has not put a whole raft of expenditure commitments into the budget. More importantly, the forward estimates for education, mental health and hospitals are all for no growth beyond 2017–18—no growth. No wonder the staff at Perth Children's Hospital, King Edward Memorial Hospital for Women, Armadale–Kelmscott Memorial Hospital and, I hear increasingly, Fiona Stanley Hospital are in riot; they can see what is in the forward estimates—absolutely no growth in expenditure despite a continued increase in the number of patients. There will be no growth in capital expenditure. During question time today, the Minister for Health went on about why King Edward Memorial Hospital for Women and other

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hospitals need some money. His response was to blame it on us because we spent too much and did not spend enough. In other words, the Labor Party wanted to come in and have big buckets of money and everything taken care of so it could spend big. Well, it knew what it was campaigning for, it knew the state of the budget, it knew the limitations and it has failed.

I turn to tax. Over and again the Premier said, “Under my watch there will be no new taxes or tax increases on Western Australians.” The shadow Treasurer of the time was honest and said that no Labor Treasurer could make such a promise because it would not be believable. He did not make it but over and again the leader of the Labor Party did because he wanted to protect jobs. He broke that promise with a payroll tax increase. We brought in the first home owner grant bonus late in our term. The response of the opposition was, “We support it. Just do it now.” It supported it in full but it withdrew that. Of course, the gold royalty has been the biggest whopper of all. We considered it and looked at this issue when revenue was in freefall. The Labor Party ran the mother of all campaigns. Its members all suddenly became goldminers wearing goldminers’ hard hats with their names on them.

The Labor Party protested the increase and the now Premier said that Labor would not increase the royalty on gold because it would destroy jobs. With social media, members cannot walk away from these things, as the member for Darling Range is finding out. The now Premier said it over and again in 2014, 2015 and 2016. In the run-up to the budget, the Treasurer promised the gold industry that he would not do it, but he did it. The Treasurer, the Minister for Mines and Petroleum and the Premier had the temerity to say that a 50 per cent increase in the gold royalty would not impact on any mines or undermine jobs. We did the right thing. Our colleagues in the upper house threw it out. The Treasurer has come back with another version and said that this time it might affect jobs, but the government is going to protect them. The first time, he said that he talked to industry but he did not. He gave a directive to the industry and said, “Here’s what we’re going to do.” The Treasurer talked to only the Chamber of Minerals and Energy; he did not talk to the wider gold industry. He did not do the appropriate consultation or the appropriate model. The first time, he basically told a mistruth; that is, he said that it would not have any impact on jobs. His second go at increasing the royalty shows that the first one was untrue.

When we came into government, electricity prices were going up by 10 per cent a year for as long as it took. In our first term we significantly increased electricity prices. We inherited that but we did not increase them above the forward estimates. We kept increases in electricity prices between three per cent and 4.5 per cent a year, despite haemorrhaging money through subsidies. These guys came in and despite having called us miserly the year before for increasing electricity prices by three per cent, the government put prices up by 11 per cent and put it all on the fixed charge. Increasing the fixed charge is proper; I am not sure that it is called reform but it is proper. The government cannot increase overall electricity prices by 11 per cent and put it all on the fixed charge, which doubles the fixed charge, and expect it not to hurt the most vulnerable—that is, the pensioners. It is hiding behind so-called reform and misallocating it.

More importantly, the election campaign was largely about the sale or otherwise of Western Power. Labor promised over and again not to sell any electricity assets or privatise monopolies. With the Warradarge wind farm project, it is essentially selling generating assets to an entity owned by a Dutch firm, basically to get the renewable energy target responsibilities off the balance sheet. We looked at it—it was in the Treasurer’s in-tray—but we did not do it because it would be costlier and Treasury said that the debt would come back onto the balance sheet and the government would have a whopping large increase in debt. The simple point about this is that the government said it would not do this. It said that it would not privatise electricity assets. That is exactly what it is doing. To summarise this budget and this year, the words dishonesty and duplicity come to mind.

MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition) [3.14 pm]: I also rise to speak to this motion. My colleague the Leader of the Opposition talked about that broken election promise of increasing the electricity supply charge to every electricity consumer in Western Australia, notwithstanding that prior to the election, on 23 October 2016, the now Premier stated in *The Sunday Times* that he knew that families could not afford higher power bills. He knew that, and he said that a McGowan government would not increase electricity costs. That is one of the government’s first broken promises and we are only seven months in. One of the election commitments that got this mob elected was a 1.5 per cent pay rise for police officers. That is gone. That election commitment was broken. Another commitment was for mandatory minimum penalties for drug traffickers—people trafficking in meth. Prior to the election, the now Premier said that he agreed with our policy of introducing mandatory minimum penalties for drug traffickers of methamphetamine, but when it came time to bring legislation into this place, the now Minister for Police got to her feet and said the government was not doing that anymore. That election commitment was broken. It was an election commitment not to increase fees, taxes or charges. We have had a payroll tax increase, and the government is making a second attempt to bring in the gold royalty increase, notwithstanding that on the steps of Parliament in 2014, the now Premier said that he would not introduce an increase to the gold royalty because it would kill jobs. That is another election commitment that was broken. He is killing jobs because he is attempting to get that gold royalty increase through. Labor also committed to gold standard transparency. Have we not had an interesting run with that? We have had a very interesting run with that.

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The Premier has stood in this place and quoted from official documents, refused to table them and pretended that he was not holding documents that we clearly saw him holding in front of him. The government used its numbers to ensure that the opposition party in the Legislative Assembly did not have a representative member on the Joint Standing Committee on the Corruption and Crime Commission. That is gone. There will be no gold standard transparency on that committee for members of the opposition in this house. We saw the ministerial double dipping. Good heavens! Overpayments of \$48 000 were made for a ministerial car allowance, but we saw no transparency on that. In fact, we had to drag the Premier kicking and screaming to accountability on that matter. It took us months to get answers about which ministers had received more than they were supposed to and which ministers had paid it back. Guess how many ministers have paid it back? Zero! Over there they have two sets of rules—rules for us and rules for them. That is what is happening here.

Several members interjected.

The SPEAKER: Members, your own member is on her feet. I want to hear what she has to say.

Mrs L.M. HARVEY: When we look for gold-standard transparency, we are missing a range of annual reports that have not been tabled. Reports on ministerial travel or on parliamentary officers—the employment within our ministerial offices—have not been tabled. None of those have been tabled. We have had no parliamentary scrutiny of the travel expenses of these ministers or the individuals who are being employed at taxpayers' expense in ministerial offices. Those reports have not been tabled—nada! There is no oversight and no transparency. Stunt pieces of legislation have been brought into this chamber to create a 24-hour media sugar hit to get the Attorney General and others off the front page or onto the front page in a different light. One of those is a piece of legislation that we will debate later today. The Dangerous Sexual Offenders Legislation Amendment Bill was declared urgent but it is languishing in the other place. Then there was the Western Australian Jobs Bill. This legislation has innocuous names. One piece of legislation was the Salaries and Allowances Amendment (Debt and Deficit Remediation) Bill. For goodness sake! The entire premise of that title is incorrect. In the first budget handed down by this Treasurer, expenditure is up by \$584 million from the *Pre-election Financial Projections Statement*. The *Pre-election Financial Projections Statement* predicted expenditure of \$30.255 billion in the next financial year. What we have is \$30.797 billion. That is \$584 million of additional expenditure. We saw the prediction for the deficit move from \$1.498 billion to \$2.34 billion. That is an increase of \$842 million to the deficit. That is a problem. That is not debt and deficit repair. The prediction for net debt in the out years 2019–20 is \$43.784 billion. That is an increase in net debt of \$2.7 billion. This budget has no debt and deficit repair—none whatsoever! The government has been exposed in raising payroll tax, raising the gold royalty, increasing fees and charges, and cutting public sector jobs in the name of paying for \$5 billion of unfunded election commitments. The government had no plan to pay for any of those \$5 billion of commitments and it is taking money out of the pockets of our police, our teachers and our nurses. The government is taking funding out of our schools, cutting public sector jobs and raising taxes to pay for its commitments, contrary to the promises it made to the Western Australia community to get elected. Shame on the government. The government gets an F from us for its first eight months.

Several members interjected.

The SPEAKER: Members!

Mrs L.M. HARVEY: As I wind up, the last major test of gold-standard transparency is to allow an opposition the opportunity to scrutinise the actions of government. What do we see in the other place? The other place will not even sit until the middle of March next year. That means this government can run rampant. It can introduce regulations. It can introduce the gold royalty after Christmas and nobody in the Legislative Council will have the opportunity to scrutinise this government's actions until the middle of March next year. That is not gold standard transparency. It is another massive broken election commitment.

MR D.C. NALDER (Bateman) [3.21 pm]: I stand to support this motion and I express surprise at the extent of the government's waywardness on the commitments and promises it made to the people of Western Australia in the lead-up to the last election. In the contributions from the Leader of the Opposition and the Deputy Leader of the Opposition, we heard about some of the issues the government has attempted to deal with, but in so doing has misled the people of Western Australia based on the commitments that it made. I will touch on a few points in the time that I have available.

We talk about the increase in debt. The audited accounts at 30 June show that Western Australia's level of net debt is just under \$32 billion. The government states that net debt will be \$43.6 billion by the end of the forward estimates and that debt is attributable wholly and solely to this government. The government fails to acknowledge, despite its pre-election promises of paying debt down like a mortgage, the impact on interest expense. We will see a 52 per cent increase in interest expense over the four years of this government, from around \$970 million a year to about \$1.485 billion a year. That is an over \$500 million increase in interest expense just on the debt that the

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government is accumulating for the people of Western Australia. If we look at the measures the government is undertaking—it talks about it being budget repair to fix the financial situation it inherited—they do not even cover the increased interest expense this government will face during this term of government. The government is not dealing with the past; it is failing to deal with the contribution that it is making to Western Australia's debt.

We talk about issues like cost-of-living expenses. About 15 months ago, the Premier said that it was mean-spirited to increase electricity prices by three per cent. After the election, the Premier increased electricity prices by 11 per cent. Interestingly, because the increase was to the fixed charge—as the Leader of the Opposition just mentioned—it really targeted the vulnerable. We uncovered through a freedom of information request that the Treasurer was fully aware that because electricity price rises were for only fixed charges that this would result in increases of 30 per cent and even more on pensioners and other vulnerable Western Australians. I think that is a disgrace. The Labor Party talks about itself as being a party for the people, but to increase electricity prices by 11 per cent knowing that it would target the vulnerable and particularly pensioners with an increase of around 30 per cent is an absolute disgrace and something government members should hang their heads in shame about.

During the election campaign, there was much discussion about privatisation. As the former government, we went to the election talking about the need to seriously tackle the debt situation. We took a plan to the Western Australian people to reduce debt through the sale of 51 per cent of Western Power. During the campaign, the Labor Party's main platform was that it opposed privatisation of state assets—in particular Western Power. It was recently uncovered that the government had a plan to secure Synergy's renewable energy target requirements by selling state-owned assets to a foreign company—namely, Dutch Infrastructure Fund. What a change of heart that is! The Labor Party convinced the people of Western Australia that we cannot sell energy assets and state assets, and here it is, less than a year later, backflipping on that. Interestingly, the state government is privatising specifically the Grasmere wind farm and the Greenough River solar farm to provide its seed funding in the joint venture with the Dutch company. Let us be clear; the McGowan government has backflipped on its central policy of not privatising electricity assets.

The government promised not to increase existing taxes or introduce new taxes. The reality is that during this term we have already seen a new Uber tax and two attempts to increase the gold royalty. Interestingly, in the second attempt to increase the gold royalty the government actually acknowledged that the first attempt would have impacted on jobs, and agreed to review it. Whereas, the first time the government argued for the royalty increase, it said that it would not impact on jobs. On top of that, there is a \$400 million payroll tax increase, which is purely a tax on jobs; a new foreign investment tax on properties; and the government has indicated that it is considering a new banking tax and a new wagering and gambling tax. It goes on and on.

The government talks about jobs for people, but we are seeing an attack on jobs. I highlight that the government talks about improvement in the job scene, but I would like to share with members that detailed labour force data released by the Australian Bureau of Statistics on 23 November 2017 highlights that the median duration of job search in Western Australia increased from 12 weeks in March 2017 to 27 weeks in October 2017. This is the second highest median duration of job search behind only Queensland at 29 weeks, is nine weeks longer than the Australian average, and almost double the best performing state of New South Wales at 14 weeks. Incredibly, this is the longest median duration of job search in Western Australia since ABS records began for this dataset in 1991. This has occurred under this government's watch since it was elected. The McGowan government needs to be aware that it cannot sack and tax its way to economic growth in this state.

MR B.S. WYATT (Victoria Park — Treasurer) [3.28 pm]: Is the opposition going through the motions? I get it. It is the end of the year and the opposition has come up with a half-baked critique of the government. I think we have had a pretty good year. I think we have had a very good year. As the Minister for Transport pointed out, it is very difficult in eight and a half months to implement our election commitments and solve all the problems the former government left us. Solving all the problems the former government left this government has not been a small task, let me assure you, Mr Speaker. Every day something new comes in—a budget black hole, this contract was done badly or it did not make a decision around this. A lot of that failure to make decisions over the last 12 to 18 months of the former government has created some real issues for us and we have to deal with that and clean up that mess, but we are doing it, and I think we are doing it pretty well after eight and a half years. I think the transition of government has been solid. I think we have managed to get on the path of delivering the majority of our election commitments in the first budget. I note the Leader of the Opposition complaining that not everything that we committed to is in the budget, but that is why there are four budgets for a term of government—to do these things. We are determined to do them and we will do them. I want to deal with a few specific issues before I go through a long list of achievements of this government, and it is a long list. I doubt that in the time I have been given I will be able to go through them all.

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There are a couple of issues. The first one, raised by both the Leader of the Opposition and the shadow Treasurer, is the gold royalty increase. I want to be very, very clear, and I said this before to the National Party last week during private members' business—there were not any Liberal members of Parliament in the chamber at the time—that lack of agreement does not mean lack of consultation. I accepted in the budget announcements that there was not consultation, because ultimately that is how governments tend to operate at budget time. They make a decision about revenue, they announce it and they try to get it through the Parliament if they are required to do so. That is why the former Liberal–National government did not consult the Property Council of Australia about its three land tax increases. That is why the former government did not do it then. I have a slight difference of opinion with the shadow Treasurer when he says that because we are having another go, we have accepted there was a negative job impact from form 1 of the gold royalty increase. No. I accept that the industry had concerns, but I do not think that if form 1 of our gold royalty increase had made it through the chamber, there would have been any impact on the industry. I still do not think that, but I accept the industry had concerns and that is why we have come up with an alternative arrangement, not around the royalty increase, but around a package of goods and policy arrangements to try to ameliorate things for those marginal miners. In any event, the Liberal Party is very proud of its legacy of high debt and it is defending that legacy. It wants the high debt to continue and I understand that it is very proud of that legacy, particularly the Leader of the Opposition.

Of some interest was the fact that I was critiqued by the Deputy Leader of the Opposition, who said that over the forward estimates net debt will increase by \$2.5 billion. That is not a bad effort, because in the first term of the former government, we went from \$3.6 billion of financial assets to net debt of just under \$20 billion. I am pretty sure, in fact I am confident, that this government will not increase net debt to the same level that the former government did over its first term. I will make the commitment that I will not have the same financial impact on the balance sheet that the former government did during its first term in power.

I want to make this point about the Synergy electricity bill. Both the Leader of the Opposition and the shadow Minister for Energy raised concern about the decision to increase the fixed components of the Synergy bill. Interestingly, the Leader of the Opposition now says that that is not reform, but just an increase, despite the fact that he said, “We argue we should be doing it. It is about fairness. I have repeatedly indicated and stated that a reform in this direction is needed.” That is what the Leader of the Opposition said back in 2015 when he was the Minister for Energy, but he never had the bottle to actually implement this reform. I get that he never had the bottle to do it because of his history in this place. Despite the fact that he is now heavily critiquing the former Premier, the member for Cottesloe, about the first term of the former government, he was one of the great spruikers of the budgets of the first term, not just in this place but also around Western Australia. That is ultimately what the Leader of the Opposition's record is—saying and doing things that are very, very different when he had the levers as minister to do these things. I assume that the opposition is being sarcastic, ironic or facetious when it dares raise issues of debt and deficit. We cannot fix the fiscal problem the former government left us in one budget. As I said prior to the election, it is going to take consecutive terms of government to do so. That is why we have a new wages policy that the opposition complains about. That is why we have made the tough decisions about increasing the fixed component of the Synergy power bill to ensure that we can start reducing the subsidy. That is why we have made a range of decisions about revenue. Interestingly enough, I have been critiqued by the opposition for both the things around revenue we did not take to the election and the things we did. We will see those policies come forward over the next little while as we move to implement them. The reality is that we have had to respond to a time in government that left a very weak balance sheet. We have had to respond to that. The opposition does not accept that there have been further revenue writedowns since the *Pre-election Financial Projections Statement*. I do not know why the opposition does not accept that, but that is just the position it has. The opposition seems to think that things are fine and dandy, that we should be back to a roaring surplus and debt should be gone with one budget in some sort of mystical policy it must have had somewhere but was unwilling to implement when it was in government. The point I make about the so-called angst around the Synergy renewable fund is that I think it is a very good outcome to try to deliver on our obligations for large-scale renewable energy. The opposition was moving down this path, but again the Leader of the Opposition never had the bottle to get it into cabinet, through cabinet and implemented. That is the reality.

Dr M.D. Nahan interjected.

Mr B.S. WYATT: I have to do the sorts of things that the former Treasurer was unwilling to do. I have to do the sorts of things that the Leader of the Opposition only talked about, and I am determined to do them, because I think that is still the best outcome for the balance sheet and for Synergy consumers.

I want to go through a range of our successes during our first eight and a half months in government and no doubt some of my colleagues will do the same thing. Obviously, the first budget delivered was a good budget! I am probably biased in that assessment, but I think it is a good budget! We introduced the WA local jobs bill. We tore up the skilled migration list, as we had committed to prior to the election. We announced a ban on single-use

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plastic bags from 1 July 2018. I have to say that I am perhaps one of the great offenders; I am wondering what I will do with my rubbish once that ban comes in, but I will have to adapt to the changes around us, like we all do. We stopped work on the Perth Freight Link. We secured a Productivity Commission review on the GST. We did that; the Premier did that when he wrote to the Prime Minister. The Premier wrote to the Prime Minister and do members know what? It happened. When we first came to power, Scott Morrison was not interested in the slightest in this issue. The good Senator Dean Smith had raised it, but Scott Morrison was not interested, but the Premier wrote to the Prime Minister and what did we get? We got the Productivity Commission looking into this very issue. I am very confident in what it may find—not just the embarrassing bits about the financial management of the former government. The Productivity Commission found the assumptions under the former government in 2011–12 about a grand deal for GST and spending accordingly particularly interesting—those grand assumptions made in the budgets. We secured that review. Again, the Leader of the Opposition thought we would never do this. In fact, he said in the media that he had spoken to senior federal Liberal ministers and they had said it would not happen—that is, get \$2.3 billion in funding for our job-creating, congestion-busting infrastructure. The Leader of the Opposition campaigned against that. Let us reflect on what the Leader of the Opposition has done. Not content with the level of debt that he is determined to honour as his legacy, he campaigned against Western Australia getting more capital return from the commonwealth. That is what he did. In a treacherous performance by the Leader of the Opposition, he did not want one extra cent. Not just content with the level of debt he left us, he wanted it to go up even more.

Obviously, Metronet is underway. There is investment in roads. Business cases have been submitted to Infrastructure Australia for the rail extension to Yanchep and the Thornlie–Cockburn line, which are part of Metronet. There is \$129 million for new cycling infrastructure. There is \$425 million for destination marketing and event tourism. I compliment the Minister for Tourism; Defence Issues, who has been a spectacular success as a minister. I look forward to the Minister for Tourism's memoirs. It will be a thick read full of success—“Paul Papalia: My Life Between Lounges” is what he will call it. His is quite an extraordinary career. He has already had a range of successes. The list is so long that I want to leave it up to some of my colleagues to continue to go through them.

Mr J.E. McGrath interjected.

The SPEAKER: Member for South Perth!

Mr B.S. WYATT: The point I want to make, as I have said and admitted in here, is that I am not trying to suggest for a minute that the challenges in our budget and the assumptions around expense growth are ambitious. I said this again last week during private members' business led by the National Party around health and other parts of our budget, that ambitious assumptions are made. That is highlighted in the statement of risks, as it always is. We are not hiding from those. I am determined to try to deliver on those, because that is my role, as we try to get expense growth at a more sustainable level after inheriting an out-of-control budget from the former government. I am trying to do that. I want to highlight that it is not easy when the former government plays the role of budget wrecker and takes positions that I am not sure about. Sometimes it might be supporting, sometimes it might be opposing; I am not entirely sure. But the former government, now the opposition, votes against its own saving measures in the upper house. When it acts to strip out its own savings measures in the upper house, it will not be treated credibly when it comes to talk about debt and deficit. That is what the opposition did. It is now voting to again do what it never had the bottle to do and knows should be done—increase the royalty on gold. It is just doing that for sheer bloody-mindedness to try to defend that proud record of debt that for some reason it is determined to ensure stays embedded in the finances. We always made the point during the election campaign and well before the election campaign —

Mr S.K. L'Estrange: Pay it off like a house mortgage!

Mr B.S. WYATT: Thank you, member for Churchlands! He is not as slow as he sometimes appears. We will only pay it off, slowly, over time. Had the former government been re-elected and sold Western Power, its own costings showed that net debt would continue to increase. It is only until we get to a surplus position that we are going to have a long-term impact on the debt levels. That is the reality, which is why the budget highlights that. When the opposition's budgets showed surpluses, they highlighted that debt only comes down once the government starts running and operating at surplus. That is not magical or mystical; there is no financial engineering around that statement.

Several members interjected.

The SPEAKER: Members!

Mr B.S. WYATT: It is a simple reality. If the government sells an asset, and so be it, it sells an asset, until it gets the deficit back to a surplus position, net debt will continue to increase year on year. That is what we are determined

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to do. We have one forecast in the final year of the forward estimates. Again, when we are four years out, who knows what may happen with that. It may evaporate, it may increase, who knows? We are determined to protect it and deliver on it. It will be helped, of course, by GST returning, but we are not going to assume, like the former government did in 2011–12, that a GST deal will be done and just assume a relativity of 0.75.

Dr M.D. Nahan interjected.

The SPEAKER: Leader of the Opposition!

Mr B.S. WYATT: We are not going to do that because that is the fiscal madness that justified the former government going ahead with simply continuing the spending trajectory. When the Leader of the Opposition looked back and reflected upon that budget, proud of his record as a commentator for most of his career, he said —

I spent over 20 years looking at budgets, particularly at the state level, both here and around the country. This is a particularly fine budget. It focuses on the needs of today while keeping a strong eye on the needs of the future.

That is what the Leader of the Opposition said when he made that ambitious assumption around a GST fix. It allowed the previous government to continue spending on the trajectory that it was doing, and that first term in particular averaged at around 10 per cent expense growth, year on year. That is why the Leader of the Opposition has savaged the former Premier, the member for Cottesloe, in his recent commentary on the state of the Liberal Party.

I quickly want to deal with one other issue that was raised. The Deputy Leader of the Opposition was concerned about annual reports. I am not sure whether there are particular annual reports that the Deputy Leader of the Opposition has some angst with, but I want to refer her to a statement I made to Parliament on 12 September this year confirming that a range of annual reports would be delayed because of the nature of the sitting of the chamber. She talks about a lack of transparency; I told the Parliament this would happen. I am not sure how much more transparent we could be, but if there are a range of annual reports that the Deputy Leader of the Opposition is particularly concerned with, she should feel free to let me know and we will chase those up. I have been in opposition for a long time and I know the value of annual reports. We want them in and we want them through. I want to highlight that I told the Parliament in September that they would be delayed because of the nature of the timing of the sitting weeks. We are not trying to be mischievous; that was simply the reality of the way we work. I think that was the only issue that the Deputy Leader of the Opposition raised.

Mrs L.M. Harvey: The ministerial travel expenses report?

Mr B.S. WYATT: I will defer to the Premier; no doubt that is on its way.

Mrs L.M. Harvey: The ministerial staffing reports?

Mr B.S. WYATT: No doubt they are there. I have answered the questions, and the member for Dawesville raised an issue the other week around statements of corporate intent. In 2013, not one was done prior to 30 June. Why? It is because of the election. In fact, energy utilities still has not done a statement of corporate intent for 2012–13. It just disappeared or one was never done. Think for a minute. The opposition comes in here, particularly after the Liberal Party had a long time in government, and it throws around accusations, immune from the abysmal record that it brings to this place. It will own the debt and deficit. I know it does not want to and is keen not to, but the reality is that it is going to hang around the opposition's neck for a while yet. We will do what we can do, but I think most Western Australians understand that this is not going to be resolved in one or two budgets. The mess the former government created is so dramatic, there will be Treasurers after me who will continue to deal with this. We all know that the level of debt is of such a size and scale that it will take time to pay off—as the member for Churchlands says—slowly like a mortgage. That is what we intend to do. The first step in doing that is returning to an operating surplus. Hopefully we are, by and large, through the vast majority of those revenue writedowns, whether they be around iron ore or around property or payroll taxes. When a government has revenue writedowns, we cross our fingers and if we are through all that, hopefully we can start getting some revenue growth across the forward estimates, despite the best efforts of the Liberal Party to vote away its own savings measures that it embedded in the budget just a few months ago.

We have started off well and we have started off strong. We are a government with a clear direction. I think we have been well received by the community in both the suburbs and the business community, and I think the budget has been well received. People understand that we have inherited a mess of gargantuan proportions from the former government and they are willing to allow this government time to ensure that we get the finances back on a sustainable footing, which we are determined to do.

MRS J.M.C. STOJKOVSKI (Kingsley) [3.47 pm]: I find it extraordinary that the opposition should pursue this matter of public interest, and I wonder whether the tactic is an effort to deflect attention from its own internal woes

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and complete lack of substance that exists on the opposition benches. The rabble on the other side are in such disarray—it lacks substance and does not have the ability to form a coherent argument—that its obvious strategy is to hold its breath and stamp its feet, much like my toddler throwing an ill-timed tantrum, blustering about broken promises, accountability and transparency. The former Premier has been dishing the dirt on his second cabinet, which he claims lacked horsepower. The current Leader of the Opposition is calling on the former Premier, a man who has served his constituents for 26 years and has been continually re-elected, to leave Parliament. I can only assume that it is inconvenient for the Leader of the Opposition to have the member for Cottesloe sitting on the back bench. The total lack of substance of members opposite has meant that they have failed. Yes, they have failed to land a blow on the McGowan government.

Several members interjected.

The SPEAKER: Members!

Mrs J.M.C. STOJKOVSKI: They have resorted to creating storms in teacups. My goodness, will we ever forget “Papergate”, when they got themselves into an absolute tizzy over the one or two pages that the Premier was holding. Really? We want to tie up the government time with whether the Premier was holding one or two pages of notes!

Several members interjected.

The SPEAKER: Members! I think everyone heard your side and listened. Now just listen to the member.

Mrs J.M.C. STOJKOVSKI: Thank you for your protection, Mr Speaker.

Delivering on our promises is what we have been doing in our eight and a half months in government. We have been planning and working on delivering congestion-busting measures, such as the widening of Mitchell Freeway south of Cedric Street. This directly affects my electorate. I am proud that the government has managed to secure federal funding to also build flyovers on Wanneroo Road at Joondalup Drive and Ocean Reef Road. We are delivering on our promises. I am not sure how we are misleading or being unaccountable to the electorate. We said that we would deliver science, technology, engineering and mathematics into primary schools. Last Friday, I was very lucky to have telephone calls with two very excited principals at two primary schools in my electorate, Dalmain Primary School and North Woodvale Primary School. Each of those schools has received funding to turn one of their classrooms into a science laboratory so that their students can learn STEM disciplines in a dedicated classroom. If that is not delivering on a promise, I am not sure what is.

Mr Z.R.F. Kirkup: How many promises did you get in Kingsley?

The SPEAKER: Member for Dawesville, I know you have an attraction, because you keep interjecting. I call you to order for the first time.

Mrs J.M.C. STOJKOVSKI: I am glad the member for Dawesville brought that up. How many promises did I get in Kingsley? I have just told the member about two promises. We have delivered two STEM classrooms in Kingsley, one at Dalmain Primary School and one at North Woodvale Primary School.

Ms L. Mettam interjected.

The SPEAKER: Member for Vasse, I call you to order.

Mrs J.M.C. STOJKOVSKI: We have also delivered \$150 000 to Halidon Primary School to enable it to rebuild the administration block. The school community and the principal and former principal have been asking for that for the last 10 years. The former government was in office for most of that time. The school community was so excited about that grant that the former principal was almost in tears. She had been asking for that and had been ignored for many years. That is another promise that we are delivering in the Kingsley electorate.

Woodvale Little Athletics Club needed some extra high-jump mats, because the regulations had changed. It also needed some new storage facilities. We have delivered. We have given that club a grant to enable it to purchase new high-jump mats and to put money towards a storage facility for those high-jump mats.

Goollalal Greenwood Scout Group also asked, and we have delivered. That is what we do on this side. It needed to purchase new equipment. We delivered a grant to enable that group to buy not only a new tent and ropes, but also other equipment, and to provide a storage facility to avoid damage to that equipment.

I now turn my attention to Perth Children’s Hospital. I believe, and I think many members on this side would agree with me, that the Minister for Health has been absolutely transparent in giving numerous updates to the house and getting out and speaking to stakeholders. I was very pleased to invite the minister to attend a meeting with me with parents from ward 3B at Princess Margaret Hospital for Children. Not all the questions they asked of the minister were easy, but the minister answered all their questions and provided them with information about the new

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children's hospital. That is more than the previous government ever did. We have not been providing false hope. We have been providing accurate information. That is unlike the member for Nedlands, who has falsely and irresponsibly claimed that the new children's hospital is ready for patients to move into. Our government has been transparent, and we should be commended for that, rather than the rubbish that the opposition is putting up.

Mr C.J. Barnett interjected.

The SPEAKER: Member for Cottesloe, I call you to order for the first time.

MR R.R. WHITBY (Baldivis — Parliamentary Secretary) [3.53 pm]: When a matter of public interest motion is moved in this place, we would expect the proponents of that motion to be honest in the things they say and the arguments they use. I draw the attention of the house to the Deputy Leader of the Opposition, who made some claims about a report that has not been tabled. She was very grumpy. She repeated those claims a few moments ago.

Mrs L.M. Harvey: It is a ministerial staffing report.

Mr R.R. WHITBY: Does the Deputy Leader of the Opposition stand by that?

Mrs L.M. Harvey: That is my advice.

Mr R.R. WHITBY: With respect, the Deputy Leader of the Opposition's advice is wrong. I have that document here. It is a ministerial resourcing staffing report. It was tabled on 15 June. It was available to the Deputy Leader of the Opposition. I suggest that before the Deputy Leader of the Opposition comes into this place and tries to build a case against this government, she does her homework. I have the report here, and I am more than happy to give her a copy. If members opposite want to talk about transparency —

Several members interjected.

The SPEAKER: Members, you have had the opportunity to speak. You might not like what you hear, but that is the answer you are being given.

Mr R.R. WHITBY: The member for Bateman also had some things to say. He tried to build a case against the government by using some statistics about the median duration of job search in Western Australia. It was obvious to me that he had not done his homework but had simply picked something out of the newspaper.

Mr D.C. Nalder: I quoted ABS statistics that were released on 23 November.

Mr R.R. WHITBY: Indeed.

Mr D.C. Nalder interjected.

The SPEAKER: Member, just let us hear the answer.

Mr D.C. Nalder: He did mention my name.

The SPEAKER: Oh—whacko! That does not matter. Can I just explain. When I sat on that side of the chamber and the ministers had a crack at me, I had a crack back, and I was called to order. That still remains.

Mr R.R. WHITBY: The member for Bateman says that he went to the source information to do his homework and analysed it correctly. I can tell the member what that information shows. There is nothing to back up the member's assertion. As of October, the median duration for job seekers in Western Australia was 27 weeks. The member is either looking at old information or choosing to ignore the latest information. That figure is lower than the figure in Queensland, at 29 weeks, and roughly on par with the figure in South Australia. I have more good news, member for Bateman. When it comes to long-term unemployed people who are looking for work, the median duration in Western Australia is the lowest in the country at 95 weeks. That can be compared with the Australian average of 118 weeks. That figure has dropped under the McGowan government from 107 weeks in April. If the member for Bateman looks further, he will find that the median duration for people who have been unemployed for between one month and three months is six weeks. That is lower than the Australian average. It is lower than the figure in New South Wales, Victoria, Queensland and South Australia. That figure has dropped under the McGowan government from eight weeks in March and April. The median duration for people who have been unemployed for between three months and six months is 16 weeks. That is lower than the Australian average. It is lower than the figure in every state bar New South Wales. That figure, too, has dropped from 19 weeks in July and June. Thank you, Mr Speaker.

MR S.K. L'ESTRANGE (Churchlands) [3.58 pm]: This government is clearly living in self-flagellating la-la land. It has no idea about the pulse of the people of Western Australia. The government's degree of

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accountability to the people of Western Australia sits on the dark side of the moon. It is impossible for anybody to see. We have shown time and again in this place that we cannot trust this government. This government has engaged in things like ministerial double dipping. Government members had the opportunity to come into this place and say, "We made an error. After the election, this new system rolled in. We took ministerial cars. We also took the allowance. That's double dipping. That wasn't fair. We shouldn't have done it." The amount of money that government members took and kept in their pockets for themselves is the equivalent of more than 13 weeks of the maximum amount that an age pensioner can receive. This was at a time when the government was saying to those same age pensioners, "We know you're doing it tough, and we're here to look after you." What an absolutely arrogant and hypocritical government. Its ministers drew on the resources of hardworking, battling Western Australians and age pensioners on fixed incomes when they were propelled into government. What did they do the minute they were in government? They turned their backs, double dipped and put money in their pockets and said, "Nothing to see here. It's all aboveboard. It's all according to the rules." It may well have been, but was it right? No, it was not. It was not right and it would not pass the pub test. They know it and the people of Western Australia know it, but what did they do about it? They did nothing about it because in their heart of hearts they do not care. That is the fundamental truth of what this government is.

Ms A. Sanderson interjected.

Mr S.K. L'ESTRANGE: The member for Morley can laugh while the hardworking battlers of Western Australia are out there, as the member for Baldivis just said, waiting 27 weeks for a job, as the editorial in today's *The West Australian* stated. If the member for Baldivis wants to take on and say that the editor of *The West Australian* is wrong, he can fill his boots and go for it. Today's editorial stated that it takes a person 27 weeks to get a job—that is, a person who is lucky enough to get a job—while ministers are lining their pockets with money they have not earned. Member for Morley, that is what government ministers have done and it is a disgrace. It is a disgrace to all backbenchers and the people of Western Australia that they have not fessed up and said, "It was a mistake. It's inappropriate that we took this money and we should give it back." They think they have done nothing. I tell you what, that action alone cuts to the heart of what this government is about. It is an arrogant, hypocritical government that does not care about the people who put it into power. It is more interested in itself and its own sense of self-worth. It continues to deceive the people of WA, but the people of WA will learn, mark my words.

The government has gone on in the media about the opposition being too hard on the member for Darling Range. We have not once focused our attention on the member for Darling Range; we have only ever focused our attention on the Premier and the Minister for Veterans Issues to be accountable to the people of Western Australia for their decision-making and how they have been conducting their research into this very serious matter. Not once have we targeted the member for Darling Range. We have only ever focused on the leadership of the government. That is what we are interested in. That is what the people of Western Australia are focusing on.

Can I just say that the last time Labor was in government, it did nothing about job creation. It was like a google-eyed tropical gecko that is stuck to the side of a cabinet room wall, thinking, "What do we do about jobs? I know, we'll just stick here on the wall and hope that the economy turns around and hope that something will happen." That is all that this government is about. To hope is not a good task verb, members. That is what the government is banking on. It is hoping that the GST will turn around, that the economy will turn around and that jobs will increase so that it can say to the people of Western Australia, "There we go; we produced jobs." The government knows it is not producing any jobs. In fact, all it is doing is pork-barrelling the people of marginal electorates with big fake cheques—real taxpayers' money—with the names of local members of Parliament on them. It is disgraceful. We have a hypocritical, arrogant government that is out of touch with the people of Western Australia.

MR D.R. MICHAEL (Balcatta) [4.04 pm]: In the 30 seconds left to debate this matter of public interest motion, I want to make a couple of points. If I had had time today, I would have talked about the election commitments that have been delivered in the electorate of Balcatta, such as the Osborne Park Hospital and Balcatta Senior High School, but I do not have the time. Those promises were not pork-barrelling in my seat; they also affect some of the seats held by members on the other side. I wanted to speak on this MPI because I have sat here every week listening to opposition members. There has been no research or work done on this MPI. We need a stronger opposition than this. I know what is being proposed for private members' business tomorrow and it is the same again—it is a lazy MPI.

Several members interjected.

The ACTING SPEAKER: Member, your time has expired.

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Division

Question put and a division taken, the Acting Speaker (Mr T.J. Healy) casting his vote with the noes, with the following result —

Ayes (15)

Mr C.J. Barnett
Mr I.C. Blayney
Ms M.J. Davies
Mrs L.M. Harvey

Mr Z.R.F. Kirkup
Mr A. Krsticevic
Mr S.K. L'Estrange
Mr R.S. Love

Mr W.R. Marmion
Mr J.E. McGrath
Dr M.D. Nahan
Mr D.C. Nalder

Mr K. O'Donnell
Mr P.J. Rundle
Ms L. Mettam (*Teller*)

Noes (36)

Ms L.L. Baker
Dr A.D. Buti
Mr J.N. Carey
Mrs R.M.J. Clarke
Mr R.H. Cook
Mr M.J. Folkard
Ms J.M. Freeman
Ms E. Hamilton
Mr T.J. Healy

Mr M. Hughes
Mr W.J. Johnston
Mr D.J. Kelly
Mr F.M. Logan
Mr M. McGowan
Ms S.F. McGurk
Mr S.A. Millman
Mr Y. Mubarakai
Mr M.P. Murray

Mrs L.M. O'Malley
Mr P. Papalia
Mr S.J. Price
Mr J.R. Quigley
Ms M.M. Quirk
Mrs M.H. Roberts
Ms C.M. Rowe
Ms R. Saffioti
Ms A. Sanderson

Ms J.J. Shaw
Mrs J.M.C. Stojkovski
Mr C.J. Tallentire
Mr D.A. Templeman
Mr P.C. Tinley
Mr R.R. Whitby
Ms S.E. Winton
Mr B.S. Wyatt
Mr D.R. Michael (*Teller*)

Pair

Mr P. Katsambanis

Ms J. Farrer

Question thus negatived.