

**INVESTMENT IN WESTERN AUSTRALIA — POLICY PLATFORM**

*Motion*

**HON JACQUI BOYDELL (Mining and Pastoral)** [11.33 am] — without notice: I move —

That this house supports the state government's leadership in developing a strong policy platform and trade relations that facilitate investment in the breadth and depth of our state's resources and industries, especially in mining, agriculture and tourism.

In light of recent debates about this state's increasing debt and declining goods and services tax revenue, in my contribution today I want to talk about ways in which we as a state can become more strategic and investment savvy, with the ultimate goal of building a more prosperous state. It is timely that we are having this debate today. It is about making sure that Western Australia readies itself for, ultimately, foreign investment and partnerships with business in Western Australia. The state government wants to take positive steps to ensure that we are ready to accept that investment. We do not want to be caught out, as we have been at the national level with the problems that are facing some of our iconic Australian industries, such as Qantas. Qantas is facing the axing of some 5 000 jobs so that it can remain viable. The federal government is now scurrying to rewrite some legislation that will allow foreign investment in Qantas and provide a more even playing field for Qantas to operate in. Therefore, this motion is very timely.

What we need, and what is at the heart of my motion today, is a solid policy platform for this state government that will provide a greater and more attractive investment profile within the international community, encourage inward investment in our state's resources and foster mutually beneficial and long-term trade relationships with multiple countries. We need to provide a modern trade and investment architecture, including regulatory frameworks that will facilitate and support, not hinder and detract from, the expansion and growth of our businesses and industries.

Some significant global factors are in play at the moment, particularly with what we all know and refer to as the Asian century, and the corresponding demand for minerals, food and energy. Western Australia has an excellent opportunity to emerge as a leading investment hub in that area, and with that comes job creation and further economic opportunities for the people of this state, which in turn will create greater individual and state wealth.

What lies beneath this discussion is the importance of economic development. This government's drive and determination to ensure continued economic development is not only for the sake of creating jobs and generating wealth. It is integral to a great many other social functions, such as well-functioning communities—particularly in regional Western Australia, but also in the metropolitan area—and the availability and provision of quality health and education opportunities for our future families and children. We often hear Western Australia referred to as a global resources hub. That is great, and we all acknowledge that it is. But we should be capitalising on the vast array of resources that go beyond the traditional mineral and petroleum resource wealth of this state. We need to capitalise on our large expanses of land and our plentiful sources of water, particularly in the north of the state, so that we can build a strong agricultural sector in this state. We have seen the start of that with the expansion of the Ord. We need to capitalise on our vast and varied landscapes and on the unique cultural experiences that we can sell to the international tourism market. This state also has opportunities that go beyond our primary industries, such as the intellectual resources in our education and research centres, and our service and technology innovation. Western Australia is a leader and at the forefront in many of those industries.

Although we can say that we are limited only by our imagination in what we can achieve, the reality is quite different. Competition capital, sovereign and other investment risks, and barriers to trade, of course exist. Part of the role of government is to facilitate a bridge over those barriers. We need to promote our investment profile across sectors, accompanied by the necessary political will, enthusiasm and structural support that will attract investment and assist with the expansion of our industries. This Liberal–National government has the extreme political will to get on the front foot to develop the opportunities that are provided in our great state. The message that we need to sell is that Western Australia is open for business in every sense of that word. We are not saying that as just a pie-in-the-sky phrase. We mean it. Across a wide variety of sectors, we need to encourage and facilitate inward investment and therefore maximise the scope of opportunities and the rewards available to the citizens of Western Australia.

Currently, all investment in Western Australia is dealt with on a department-by-department basis. There is no office or body in this state that oversees investment into Western Australia. The Department of State Development deals with major projects such as PortLink, the Ord expansion and Oakajee, and when the department gets overseas investment interest in major projects, it assigns a project manager who guides the proponent through the approvals process and advises on skills availability, suitable site locations et cetera.

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However, there is an identified gap for small and medium-scale investment. Foreign and interstate investors need to contact the relevant government department, but government departments do not have the resources to project manage and guide individual project proponents. They also do not have the resources to assist local Western Australian businesses that require assistance and advice to expand their businesses into new markets. Therefore, there is a critical need for the government to develop a strong policy platform and get that platform right.

We need to build an effective framework that encourages that and supports that process into the future. With that in mind, during the election campaign the Nationals WA proposed a policy agenda known as “WA: Open for Business”, which outlines strategies to modernise the trade and investment architecture in Western Australia. The idea behind that policy is that we must give those businesses and investors who have money to spend and who want to come into Western Australia the opportunity and incentive to continue that interest and make the investment. The “WA: Open for Business” policy is now also part of the “Seizing the opportunity” policy for agriculture. A \$20 million investment will be committed over five years to implement the “WA: Open for Business” initiative, which will involve the establishment of the Office of Inward Investment, which will be a first point of contact for foreign investors and businesses interested in investing in Western Australia in agriculture in particular and in regional development on a larger scale. That office will also boost the resources of the Department of Agriculture and Food to assist Western Australian agriculture and food businesses to identify and capture market opportunities. I would go into that a bit further, but my time is running out.

Members may have noticed the specific change in terminology from “foreign” to “inward” investment. I think that is really critical to how we move this debate forward. As the debate mounts over foreign investment, particularly in the Agricultural Region, where it is a perceived threat that our cash is going overseas and our land will be sold off, we must stop being frightened of foreign investment and understand that establishing partnerships is a way for our businesses to grow. It is likely that the industry bodies, specifically the Chamber of Commerce and Industry of Western Australia and, perhaps, even the Chinese chamber offices in Perth, will play a greater role in stimulating and supervising inward investment in WA.

The Office of Inward Investment would stand to directly support local regional trade offices in Europe, the Middle East, India, South Korea, China, Japan, Singapore, Indonesia and Perth. The location of these offices reflect on our top four major trading partners, which are China, Japan, South Korea and Singapore. We have the opportunity to continue to build a profile for Australia, and Western Australia in particular, in the international market by having those trade offices in those countries. Now we need the Office of Inward Investment in Western Australia to facilitate a two-way street for investment, which is what this government plans to facilitate. The whole “WA: Open for Business” policy framework speaks to our state becoming better prepared to accommodate foreign investors and implements a streamlined approach that bridges together contacts and different markets and industries so that the whole state benefits.

While today I have outlined some ways we can do more, I acknowledge that this Liberal–National government has made some significant progress already in developing our trade and investment profiles. The memorandum of understanding between Western Australia and China signed by Premier Barnett in 2011, for example, was a fundamental step in developing better relations with Chinese investors. That proactive agreement demonstrates our leadership in this important area. In looking forward, I believe one of the main challenges we face, and certainly one of the key functions of the Office of Inward Investment, is to shift the perception held in business and the broader community that inward investment is a scary thing as profits go overseas et cetera. We need to showcase examples of businesses that have had promising benefits and realise their potential with the aid of inward investment. With that in mind, I want to quickly talk about Ferngrove Frankland River Wines as a case in point. Located near the Frankland River in the great southern, Ferngrove vineyard is locally owned and run. In 2010–11 the company ran into financial difficulties after losing a major customer; rising international competition also had an impact. Ferngrove Wines faced a future of being sold and its 25 employees would have been out of a job. The company proactively sought some options and received interest from a Chinese investor. By February 2011, that Chinese investor had committed several million dollars to Ferngrove Wines and the company has now expanded into China and, as a result of that partnership, is thriving. I think that is a case in point of how inward investment can work really well.

To support our Office of Inward Investment, other facilitative structures need to be in place. We need to simplify the process by having investment processes ready to go. We need to be pragmatic about environmental management and streamline native title, water and environmental approvals. Supportive policies are fundamental; our commitment to agriculture expansion is shown through our \$300 million “Seizing the opportunity” initiative. That is a four-year commitment to maximise the potential across the agricultural sector. It is a multifaceted program; it has many different aspects that will support the agriculture sector in Western Australia to grow investment and attract inward investment in particular. This is all part of the bigger picture to encourage and modernise trade architecture in Western Australia. Of course, decisions at the federal level also

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assist in this vision. We saw that with the recent trade agreement signed between Australia and Korea. We have exciting times ahead, but we need to be more strategic about how we channel investment, particularly into Western Australia.

The Office of Inward Investment is a particularly exciting prospect that will guide and develop interests in Western Australia and overseas. We have much work to do, but we are moving forward. I hope this discussion today fosters some further ideas and I look forward to members' contribution on how we can capitalise on these global opportunities that present themselves to Western Australia.

**HON LIZ BEHJAT (North Metropolitan)** [11.47 am]: I am very pleased to rise today to support Hon Jacqui Boydell in this private members' business motion that she has brought before the house. Thursday mornings are always a good time for us to discuss a wide range of issues and this motion is a good one. I want to let members know that a lot of the information I will be passing on today comes from a parliamentary internship report. Yesterday Hon Mark Lewis spoke about his parliamentary intern, who prepared a very good report, and I think Hon Robin Chapple also spoke about the program. I commend the parliamentary internship program and encourage members to utilise that when the time comes this year. At the conclusion of my remarks, with the leave of the house, I will, hopefully, table the internship report that I have before me.

During my remarks on the government's policies on trade relations in Western Australia, I would like to concentrate on the Western Australia–India relationship, which is certainly growing rapidly. As members know, the Deputy President (Hon Adele Farina) and I are the co-convenors of the Parliamentary Friends of India, which is an interest group that was formed after the President, Hon Kate Doust, Hon Col Holt, Hon Adele Farina and I travelled to India in 2010, ostensibly to promote food and wine products from the south west. We attended an event in Bangalore and showcased the food and wines of Western Australia, and there was a massive interest in that market opening up. Those sorts of things should definitely be encouraged.

The parliamentary intern who prepared this report for me, Mr Paul McIllree, is a student at Murdoch University. He got a lot of help researching the subject, and in particular he pays tribute to our Indian Consul General in Western Australia, Mr Subbarayudu, who is a great friend to the house and to the Parliamentary Friends of India. The consulate is testament to a growing relationship between Western Australia and India. Prior to the establishment of the Consulate General of India in Perth there was only ever an honorary consul in place. Mr Subbarayudu is doing a fabulous job and is very well known to a number of members of this house.

In her motion, Hon Jacqui Boydell mentions areas such as state resources and industries, mining, agriculture and tourism. India certainly ticks all of those boxes in that there is a great need for it to have what we can provide, but there is also a great opportunity for a lot of two-way traffic in that regard. Our Premier has spoken on this on a number of occasions, and we know we have a wonderful and ever-growing relationship with countries such as China, but one of the pieces of advice the Premier has given from time to time is for us to stand on the beach and look towards the west, which is India. That is where our future lies, with such a massively growing population in that large democracy. The opportunities for Western Australia to have two-way trade relations with India is certainly growing. I will quote from the introduction of Paul McIllree's report entitled "An inquiry into the growing importance of Indian–West Australian relations" —

This report is both timely and important because greater awareness and understanding of the other promises so much at a critical time for each of our economies. It aims to encourage Western Australia's Government and businesses to look west toward our Indian Ocean neighbour for growing opportunities, and to remind India that WA offers more than a resource pit, but represents a potential 'one-stop-shop' on their path toward development. Western Australia has a natural capacity for feeding India's incredible and increasing appetite for energy, commodities, education, services, and agricultural products. For India, investment in WA promises to provide much of what the country needs in order to overcome the adversity it faces at home.

I think that is a really good summary of what Hon Jacqui Boydell is trying to point out to the house. There are so many growing opportunities for us to be able to, as she said, open up WA for business—we are open for business. There are also opportunities for the very important sector of tourism, and our tourism minister's latest campaign is entitled "Let's talk up WA". That is something that I think goes hand in hand with the "WA: Open for Business" slogan—"WA: Open for Business; let's talk it up". There is great synergy in those two statements, but they are not just statements; they are actual programs that our Liberal–National government is putting in place to encourage those sorts of relationships. From the point of view of Indian tourists in particular, there is a growing number of migrants coming to Western Australia from India and in recent surveys we know that 45 per cent of people who travel from India to Western Australia to experience some of the wonderful tourism we have are doing so under the visiting friends and relatives program. They are not generally coming as

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independent tourists, but they are visiting friends and relatives. With our growing migration, that market itself will only get busier.

Another thing India needs to look at with its growing population is the supply of food and the security of that supply. What better place for India to be looking than in Western Australia at the fabulous projects we have here now. My colleague spoke about the expansion of Ord 2 and the potential benefits for that region to be able to become the food bowl of Australia and to be able to provide to India and its growing population. I know that, for its part, India has lifted some of its foreign development constraints, whereas previously there were some very tight restrictions on what sort of business could be done with foreign investment. In 2012 a move was made to lessen those restrictions, and it is certainly very much a two-way street between India and Western Australia, and that will keep on growing from time to time. I note a number of members want to speak on this very important motion that my colleague has brought to the house today, so I will finish with those remarks. As I said, I commend to the house the report of my parliamentary intern, Paul McIllree, and I seek leave to table that report.

Leave granted. [See paper 1261.]

**HON KEN TRAVERS (North Metropolitan)** [11.55 am]: The motion as moved by the member is one I think any member of the house could support. I do not think anyone would disagree that a state like Western Australia cannot rely solely on the mining and resources industry for its future. In fact, I think it has long been argued by members on this side that we need to make sure that, although the focus is on those industries, we do not forget the other industries that contribute to Western Australia, and we should also look, where we can, to use our strength in the mining industry to export jobs at a knowledge level, rather than just exporting raw commodities. My colleague Hon Kate Doust, who is unfortunately away on urgent parliamentary business today, would have a very good time debating this motion.

It is one thing to say that is what we have to do—no-one disagrees with that—but we also have to look at the record of this government on these matters. As I listened to Hon Jacqui Boyde outline some of the things we should be doing, the immediate response I had was, “Hang on, aren’t those the things that the Barnett–Grylls—now the Barnett–Redman government—got rid of?” A single office to attract and assist investment in Western Australia—gone under the Liberal–National government! It was there. There was an office; there were people who did that work in the government. I remember meeting people from small to medium-sized businesses looking to invest in Western Australia, taking them around Joondalup and showing them what a great place Joondalup was. They were taken to other parts of the state as well because there were people in the public sector who did that job, and this government got rid of them. It is great that the government now realises its mistake, but we cannot forget that we are in this position today because the government dropped the ball five years ago and let these things go. There was talk about trade and tourism offices overseas. Who has closed tourism and trade offices overseas? Colin Barnett has. Yes, they are an important part of promoting the Western Australian economy around the world, so let us not forget which government got rid of them.

There is the argument about foreign versus inward investment. I do not think it matters what language is used, there has to be a coherent and consistent argument when language is used; the case actually has to be sold. Who is the biggest impediment to foreign or inward investment or whatever we want to call it in Australia at the moment? Who sent the message to everybody in the USA, which was one of the biggest investors in Western Australia, that Australia is closed for business? Who was it? It was Joe Hockey, the federal Liberal Treasurer. Why did he say it? He said it because the federal deputy leader of the coalition government, Barnaby Joyce, made him say it. They went out there and said, “We’re closed for business.” When people wanted to invest in Australian business, when they wanted inward investment, who was the biggest, loudest mouth out there saying, “No, we don’t want you —

**Hon Jim Chown:** If you are talking about ADM, I agree with you.

**Hon KEN TRAVERS:** There is so much agreement in this chamber these days, it is almost unbelievable! We now need to get to the point at which we all vote together occasionally, then we will be on the path to being a true house of review.

Who was out there, uphill and down dale, putting pressure on Joe Hockey to say, “We are closed for business”? It was Barnaby Joyce.

**Hon Michael Mischin:** Were those the words used?

**Hon KEN TRAVERS:** Mate, if you shut the front door, you do not have to put a “closed” sign up; people know you’re closed!

**Hon Michael Mischin:** Where is the front door in Australia?

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**Hon KEN TRAVERS:** When people try to invest in Australia and they are told, “No, go away; we don’t want you”, I think most people would consider that the door is closed.

**Hon Jim Chown:** A \$14 billion investment that was allowed to be used elsewhere in the world in competition against our grain growers—that company was not allowed to invest in Western Australia.

**Hon KEN TRAVERS:** I love the interjection of the member, but I only have five minutes, and I do not believe that I can seek leave for an extension on this occasion, Hon Jim Chown, although I am sure you might give it to me today.

Let us never forget. I do not know whether Hon Jacqui Boydell was having a subtle go at her federal deputy leader Barnaby Joyce, but if she was—it sounded like she was—good on her for saying it. Someone needed to say it, and I am glad that we are having this debate in the house today. We need to be careful about selling off the farm in Australia, but we need also to get the balance right. The campaign that was run around that decision was a dishonest, disingenuous and damaging campaign for Australia. In my view the blame can be sheeted home to Barnaby Joyce, and Joe Hockey is the person who succumbed to that decision and failed the national interest. We cannot get away from it. It is one thing to talk about a policy, but is it in the budget? It might be a policy for new trade investment, but is it in the budget? I do not think it is.

One of the things that we have to look at is how successful we have been. When I look down the list of all the areas, I see that we have been going backwards under the Barnett government in many areas that members are now saying we need to focus on. I congratulate them for finally seeing the light, coming on board with the Labor Party and recognising that we need to be putting a lot more focus on this matter.

One example I have often used—I mentioned it at a function this morning before I knew this motion was to be debated today—is in tourism. We have seen the tourism experience and what drives people to Western Australia absolutely decimated over the past five years. I have an office in Joondalup. I live south of Joondalup so I drive along Mitchell Freeway. In the past when I drove north along the freeway, I would often be passed by or pass a bus going to the Pinnacles. A number of buses would go out and take tourists to the Pinnacles. How many do we have today? I think it is one.

**Hon Mark Lewis:** The Aussie dollar did that.

**Hon KEN TRAVERS:** It is not the only reason. It has happened because we as a government and community have not provided assistance. I accept that the high Aussie dollar was part of the problem. The high Aussie dollar hurt both agriculture and tourism, but policy responses were needed from government to assist those people during that time of the high Aussie dollar driven by the mining industry. We needed to be supporting them so that when we go through the downturn in mining industry investment, which will ultimately come, those other industries are in a position to gear up. That is my concern, because when we are ready to go back and gear up in those areas we will not have the skills base or capacity to do that. That is the focus we need today as well as continuing to drive international investment. That is an important role for state governments. Part of that is ensuring that things like TAFE fees and trade training fees are kept at a reasonable level. The way the government has moved on trade training fees, there will be a disincentive for people to get the skills needed to support those industries in the long term. We need not only the trade office in St Georges Terrace but also to look back down the supply chain to see how to support those industries. Everything this government has done up to now has been going in the wrong direction. I hope that today will be that point in the cycle which sees change in the Barnett–Grylls–Redman government’s—the Liberal–National government—approach to these matters. This is the dawning. I think the Premier said that he was not too certain that the sun would come up the next day. Hopefully, today the sun has finally come up on the Liberal–National Parties, and that they finally understand these issues and that we need to promote and support other industries in Western Australia, and we need a coherent comprehensive strategy for doing it. We need to put back into place what has been stripped out of government facilitation in those areas over the past five years. For that, I completely support the motion and I look forward to the government listening to the upper house for a change.

**HON MARTIN ALDRIDGE (Agricultural)** [12.04 pm]: I congratulate Hon Jacqui Boydell for bringing this motion to the house. I am sure that Hon Ken Travers just made the same speech that he gave in response to my motion last year on seizing the opportunity in agriculture. Not much has changed since then. I will address one thing that Hon Ken Travers said about funding some of the initiatives that Hon Jacqui Boydell has outlined. At page 153 of the 2012–13 *Government Mid-year Financial Projections Statement* the “Seizing the Opportunity Agriculture” policy has total funding over the budget year and the forward estimates of \$297.2 million.

**Hon Ken Travers:** And you were the ones who pointed out at estimates that we gut the department before we reinvest in the department, my good friend.

**Hon MARTIN ALDRIDGE:** No, I did not.

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**Hon Peter Katsambanis:** He is not verballing you, is he?

**Hon MARTIN ALDRIDGE:** I think Hon Ken Travers is. The point I was making in the estimates to some of the ministers and agencies was that there is a significant policy and significant investment in agriculture in our state. I was doubtful at that time, and remain doubtful, about their capacity to deliver such a significant program in the four years. Keep in mind that there is only \$16.4 million allocated this year, \$63.1 million in 2014–15, \$93.7 million in 2015–16 and \$124 million in 2016–17. The majority of that program will be expended in the 2015–16 and 2016–17 budget years, and I hope that those agencies and ministers are taking my words of warning about being prepared to deliver that sort of expenditure and the aspects of the program in those out years.

**Hon Ken Travers:** You will only be getting back in real terms to where you were when you took over those portfolios.

**Hon MARTIN ALDRIDGE:** Hon Ken Travers did not really talk much about his party's agriculture policy in his 10 minutes today, and that is because the Labor Party did not have a policy going into the last election. I do not think he can be too critical about the record of this government and what it plans to deliver over the next four years when the Labor Party's plan was to do nothing.

I now come back to the motion of Hon Jacqui Boyde before the house today. The WA Trade and Investment Office has been mentioned. Fortunately, late last year I had the opportunity, along with some colleagues from this place, to go on a parliamentary delegation to Malaysia and Singapore. That was the first opportunity for me to have exposure to the WA Trade and Investment Office. In fact, the office had a large role in the organisation of our trip and the people whom we met throughout the 10 days or so that we were in Malaysia and Singapore. For a small team of both Western Australians and locals, operating from Singapore but servicing the Singapore and Malaysian regions, they are achieving some good results. They talked to me about how that could be done better and how they could use more resources. They mentioned that some of the other states in Australia are doing it better and that we really need to lift our game in our relationships, particularly with our Asian neighbours in investment opportunities in Asian countries and in Australia. When looking at the location of international trade and investments offices, seven of the eight international destinations are in Asia. That reinforces the focus of Western Australia on our close neighbours and our trading partners. According to the Department of Foreign Affairs and Trade, in 2012 the top five export destinations were China, Japan, the Republic of Korea, the United Kingdom and Singapore. Four out of our top five trading partners were Asian countries, and four out of five of them are where we have trade investment offices. I think that it is really important that the resources —

**Hon Ken Travers:** What is the fifth?

**Hon MARTIN ALDRIDGE:** The fifth was the United Kingdom, ranked fourth out of five.

**Hon Ken Travers:** We have a trade office there as part of the Australian —

**Hon MARTIN ALDRIDGE:** We do, but I am talking about Asia at the moment. The top two, China and Japan, accounted for 64 per cent of exports from Western Australia in 2012; we have quite a significant relationship with those two countries. As I have said, from my experience with the trade and investment offices in the short time that I was able to spend in Singapore and Malaysia, they played a really important role. It would be important for the government to explore that relationship in the creation of an office of inward investment and a trade commissioner, which Hon Jacqui Boyde talked about, and how that might work with the already established international trade and investment offices. We should also keep in mind that Austrade operates from foreign posts internationally. I think that the Department of State Development does some of this work already in relation to the big end of town. It is certainly there providing support and services, particularly to major resource project investors who are interested in Western Australia. However, I think what we are talking about now is the next tier down; namely, how we can target some of the investment we need, particularly in the agriculture, forestry, fishery and tourism sectors of Western Australia.

Some comments were made about foreign investment. Quite often this is raised with me in the community. One thing that will go some way to allaying some community concern is actually having some reliable data around foreign investment in Australia, including Western Australia. This is something that both the Australian government and the Council of Australian Governments should consider, particularly in establishing some sort of cross-jurisdiction land register that recognises and records in the first instance foreign interest in Australia's land. I am not talking about regulating that interest, but there is a need for better information. A lot of the work that has been done in this space has been based on surveys. We do need much more reliable data about that so we can genuinely address the concerns of the community.

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Some of the other important things that the Australian government has announced around the Foreign Investment Review Board are changes to the thresholds to which referrals will be made to the Foreign Investment Review Board, as well as making sure that we have small business representation on the board, which is an important measure. Also, currently, the Foreign Investment Review Board does not look at collective investments. A foreign investor is able to make multiple investments in a financial year and not trigger the current threshold. Therefore, I think the Australian government will also do some work around how it can better capture collective investments by foreign entities.

Some comments have been made today about making sure that Western Australia, our industries, our small businesses and our communities are prepared for an environment beyond mining. This is why those in our party took to the election the “Seizing the opportunity” policy, which, as I pointed out to Hon Ken Travers, is funded in the four years of the budget. The reason is that we could see the significant opportunity that exists in those sectors. We have enormous natural advantages in Western Australia in land, water, biosecurity, transport infrastructure and, as I said earlier, our location in relation to our major trading partners in Asia.

In the short time I have left, I just want to reiterate the point I made when I first got up to speak this morning about the delivery of opportunity. The opportunity still exists and will exist for some time. It is a matter of whether we—“we”, being the government and our agencies—can show the leadership that is required to ensure that we are doing what we can to maximise those opportunities in the best interests of small business and communities, particularly in regional Western Australia. It is really important, given that we are currently one year into a four-year term. The point that I made at the estimates hearing, which I think Hon Ken Travers has somewhat become confused about, is making sure that we put the initial steps in place to make sure we can deliver in year two, three and four of that funding because it will be a significant investment. We will need our agencies to be well resourced to deal with the implementation of those policies. If done right, it will be to the benefit of all those who live and invest in regional Western Australia. I commend the motion to the house.

**HON MARK LEWIS (Mining and Pastoral)** [12.15 pm]: I thought it might be useful to members if I just go back over some of the policies that we currently have in place, because I get a distinct impression from Hon Ken Travers that we might not have an existing policy. However, I do agree with some of his comments and I might allude to them as well. Firstly, I would like to commend Hon Jacqui Boydell for the motion. It is an important motion; one that certainly affects us in our Mining and Pastoral Region. I thank her very much. With respect to mining, oil and gas and, more generally, the resource sector, there is no doubt that our mining, oil and gas legislative framework is probably amongst the best in the world. In fact, it is actually an export item in its own right. We have just heard about the Premier coming back from the African continent, and that was one of the main topics of discussion; namely, the way we can help our western neighbours. In 2008, when this government came to power, there was a huge backlog of approvals, particularly for operational prospecting licences and the like. The backlog has now returned to reasonable levels. In terms of investment in the industry, we can go forward on a pretty good basis in that regard because there is no doubt that when we got into government, that was a major issue.

While I am on that matter, we are also undertaking a reform process to reduce the green and red tape around, in particular, things like programs of work, which are a continual bane to the industry given its red tape. Obviously, there is the green tape, and I think Hon Jacqui Boydell mentioned the environmental impediments that might stifle investment in getting things on the ground. We are also developing a database. I have been involved in this because of my previous job. It will bring together a lot of the geographic information out there that comes through in the approval processes. It is hoped that it will be a one-stop shop where we can accumulate all the information that comes through that approval process into a database.

Currently, we know that consultants make an absolute fortune out of this by reinventing and onselling what it has already just charged the previous company for. This policy decision will provide a database whereby we can share the information, making it simpler, quicker and cheaper for emerging companies. We also have the exploration incentive scheme, which is now in play. I just noticed the other day going to Kalgoorlie that we are starting to see the first up-tick in this scheme. Talking to some of the drillers, particularly the guys who are making the drill bits and those sorts of things, I found that they are starting to get a full book going forward. That can only be good, because we desperately need that investment into exploration so that we can have projects going forward.

In the interest of time, I will leave it there. However, they are just some of the policies that are helping us to get the resource sector going. With respect to trade relations in the mining and resource sector, I do not think there has been a Premier since Sir Charles Court who has been the face of the Australian resource industry more than our current Premier, Hon Colin Barnett. The Premier, at one stage under the previous government, could have almost been considered Australia’s de facto foreign affairs minister. I still think that is probably the case today. He still continues to get preferred access to world leaders, particularly in China, and that can only be good from

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our resource industry perspective. As Hon Jacqui Boydell mentioned earlier, the Premier recently signed a memorandum of understanding with China. Those are the sorts of bilateral trade arrangements that we can only encourage. The other thing the Premier has is the vision and drive to ensure that we capture this once-in-a-century opportunity to lock in the current investment wave in the resources industry. I do not think there would be a member in this Parliament or, indeed, in any Parliament in Australia who would know the Western Australian resources industry like the Premier does. I have every confidence going forward that our resources industry is in good hands from a policy and trade relations point of view. I am very confident that we can secure more than our fair share of the global capital that is washing around, particularly to invest in our resources industry.

I now turn to agriculture, which is a subject that other members have focused on. I talked to Hon Ken Baston last night. Unfortunately, because he would have loved to support this motion, he could not be here today; he is in Broome doing exactly what we are talking about. Representatives from Queensland, the Northern Territory and WA are having a round table on exactly this point about trade relations with Asia in particular. The minister has a couple of key focuses that he keeps enunciating—that is, markets and marketing for export purposes. He has been to Vietnam and Indonesia and I know that he is going to the Middle East. He has also had a number of delegations from Malaysia about investing in agriculture in WA. The other thing that goes with marketing is, as Hon Jacqui Boydell spoke about, building the capacity to supply investment-ready projects. The government has been working on that. There are obviously the projects in the Ord, but there are also other projects such as the potentially significant Knowsley project in Derby, the La Grange water resource south of Broome and the Pilbara dewatering projects that are going on now. I note that Rio Tinto is going to do another 1 000-odd hectares of irrigated agriculture at the Hamersley pastoral station; it already has a 900-hectare project. These are some of the biggest irrigation projects, outside the Ord, that are happening in Australia.

Hon Ken Travers mentioned the export of our technology and skills. That is a significant area. I agree that we should also be looking at that. I was talking last night to a guy who had come back from Israel and he said that there was a huge opportunity for the export of our skills and technology to the Middle East.

In the time left to me, I would like to pick up on the investment side of things. As Hon Phil Edman said, we can always do better. We need to coordinate across the state, particularly through the lead agencies. We also need a definition of what are major and minor projects, and whether that involves a \$50 million cut-off or a \$100 million cut-off. Some things are falling through the cracks in that area. I just talked about investment-ready projects. We need those to be constantly on the boil and coming through, and we need a process to get them out through our trade offices, Austrade and all those sorts of places. Interestingly, I was in London over the break. It will come as no surprise that I was there with the member for Durack. We went and saw Kevin Skipworth, the WA Agent General, and had a very interesting discussion around how, if we had these projects ready, he could get them out to investors through the United Kingdom and Europe.

I have perhaps skipped the tourism industry. One thing I am very keen to see, which I have talked to the Premier about, is the opportunity for resource tourism. The hair on the back of my neck stands up when I go to the Burrup Peninsula, Derby and Port Hedland. I think engineers around the world would love to be involved in that and would give us a lot of money to do it.

**HON COL HOLT (South West — Parliamentary Secretary)** [12.24 pm]: I rise for the few remaining moments to support the motion moved by Hon Jacqui Boydell. Last Thursday, I was fortunate to go to a reception celebrating the Chinese New Year with the Hong Kong Trade Development Council. I am not sure whether any other member went to it.

**Hon Sue Ellery:** Kate Doust was there.

**Hon Ken Travers:** I think Kate found it a very lucrative visit.

**Hon COL HOLT:** I know that Hon Kate Doust was there, but no-one who is in the chamber at the moment was there.

It struck me then. The commissioner from the Hong Kong Trade Development Council stood and talked about the opportunities that Hong Kong can offer to Western Australia. He outlined some of the projects that are happening, including one in which a delegation of food and wine lovers will be brought to Australia to see what we have to offer in terms of export opportunities. Imagine my shock and horror when he said that they would be taking the delegation to Victoria! As a member for South West Region, I wondered how we had missed out on that opportunity. I took down the name of the person organising that visit and passed it immediately to Mat Lewis, who is an Austrade development officer in the south west and who does exactly this sort of thing. Luckily, we still have Mat Lewis—he is the only one left of about nine Austrade officers whose positions were federally funded to facilitate those sorts of opportunities, until that funding was removed by the previous Labor

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government. Mat Lewis does a fantastic job, ably supported by the South West Development Commission and state funding. Luckily, we are continuing to invest in those sorts of things, and we need to. The way I approach life is that it is all about relationships; in this context it is about industry and trade relationships. That is exactly what officers like Mat Lewis can provide by being contact points for international businesses, industries and governments. It is a relationship that they can call on and have faith and trust in, and that they can use to pursue opportunities. That is what this motion is about: how do we invest in developing those relationships to make the most of the opportunities for Western Australia?

Western Australia has a long history of doing things for ourselves, probably brought about by the fact that this is a very isolated state—Perth is probably the most isolated capital city in the world. If we look back on how Canberra treated Western Australia in the past, we would find that most of its decisions have been based on an eastern states outlook and eastern states development, rather than on how it can support Western Australia more. Reducing funding to the Austrade offices is a great example of that. Hon Ken Travers may be surprised to hear that we do not always agree with our federal National colleagues. As a scholar of politics I am sure that he could cite many examples of when we have stood up against the federal National Party and some of its policies. In the debate around GrainCorp or even earlier when we talked about the issues in our agricultural industry and how farmers were doing it tough during the drought, we called for foreign investment to ensure that there were more buyers in the market for Australian farms so that we could keep equity up for all those farmers who wanted to stay and fight another year.

**Hon Ken Travers:** Are you going to tell Barnaby Joyce to stay away during the Senate election?

**Hon COL HOLT:** No; Barnaby is more than happy to come over here. In fact, we would love him to come over here so that we could give him more of our views; we never shy away from those things. Barnaby is a good guy. He talks passionately about the things he believes in, and there is nothing wrong with that. We are happy to point out to him the things that we are passionate about. We will continue to do that, because under our structure we are the party responsible for Western Australia and we will continue to fight for what is right for Western Australia.

We can look at an example of foreign investment. There have been questions in the house just recently about investment in the Ord by Kimberley Agricultural Investment Pty Ltd. That is an example of how we are open for business; it is an example of how foreign investment can complement what we want to do in this state to provide food to the world. We need to make the most of these opportunities that we have now. Let us get on the front foot with our policies, our investment and our relationship building, so that we are out there outcompeting other countries as much as we are outcompeting other states. Anecdotal feedback to me—again, it came from the Hong Kong Trade Development Council celebration—is that the other states are outcompeting us in having a presence in some of those major markets. We cannot have that. As a state, we need to continue to fight for these markets and to invest to make sure that we are on the front foot. The policy we talk about and this motion are really about making the most of those opportunities. I would like to have heard more from those members of the Labor Party who represent the regional areas. Unfortunately, they were not in the chamber to hear the debate—they were obviously absent on important parliamentary business—but it would have been good to hear some of their solutions and their policies for promoting regional Western Australia and regional Western Australian industries to the rest of the world, just as we are trying to do.

**HON PAUL BROWN (Agricultural)** [12.31 pm]: One of the key ingredients that Hon Jacqui Boydell mentions in her motion is that Western Australia is open for business. Primarily, that is all about, firstly, our relationship with our customers, both inward and outward; and, secondly, how we improve our relationships with our foreign customers. As we all know and understand, in our regional sector, iron ore is our biggest contributor to the state's export coffers, but the agriculture sector is the second largest contributor. How does Western Australia, Australia's largest grain exporting state, capitalise on those relationships that we currently have with our customers? One of the things we have done through our "Seizing the opportunity" vision is establish the Australian Export Grains Innovation Centre. That is leading to a vast improvement in the quality of the grains that we export.

Motion lapsed, pursuant to standing orders.