

PREMIER'S STATEMENT

Consideration

Resumed from 10 March on the following question —

That the Premier's Statement be noted.

MR E.S. RIPPER (Belmont — Leader of the Opposition) [12.15 pm]: I listened with interest to the Premier's Statement yesterday. I thought to myself that it was three months since the Parliament last sat and three more months that we have been waiting for the government to govern. The government promised to govern openly, honestly and accountably. We are certainly not seeing that. Worse still, we are not seeing the government taking up the reins and dealing with the challenges and problems that are confronting Western Australians. It is three more months in which we have waited for the government to fully implement its 100-day plan. Today is day 170 of the Barnett government; therefore, it has been 70 days since the Barnett government failed to meet its 100-day pledge to the Western Australian public. There are 50 promises in the 100-day plan; 32 per cent of those promises are still pending. After 170 days, 16 promises are still outstanding; for example, no seniors ministerial advisory group and no freedom of information commissioner have been appointed. There is in fact a backlog of applications, and ministerial negligence in dealing with those applications for freedom of information, including from the first law officer of the state. It is three more months in which we have been waiting for the government to actually roll up its sleeves and get involved in making decisions on the application of the three per cent efficiency dividend.

The Premier was very fond in opposition of talking to us about our responsibilities as ministers and how ministers should behave. In government, what does he do? He hands over the three per cent efficiency dividend to the bureaucrats. He does not sit down with his Treasurer and other members of his version of the expenditure review committee. He does not engage in the detailed hard work to target those three per cent efficiency dividend mechanisms. He uses a machete or a baseball bat instead of a scalpel. He should have done the hard work; those mechanisms should have been targeted. Front-line services should have been quarantined. Some agencies should have come up with more than a three per cent efficiency dividend and some agencies should have come up with a lot less if the proposed measures would have impacted on the delivery of front-line services to the people of Western Australia. After all, that is why the people elect a state government: to deliver services in health, education, law and order, disability services, child protection and environmental protection. This government derides those services as being about merely the appointment of additional public servants. This government devalues the importance of those services with that generic reference to the appointment of public servants, rather than acknowledging that those people provide services that the people of Western Australia elected their government to deliver.

Let us look at the amounts involved. In this financial year alone, health must find \$60 million; next financial year, \$126 million. In this financial year alone education and training must find \$46 million; in the next financial year, \$94 million. In this financial year alone, police must find \$12.5 million; in the next financial year, \$25 million. The government has been missing in action on this issue. This is not an occasion when government members can tell us to wait until the budget comes down to see what the government is doing. This is happening now in this financial year. Right now agencies are cutting services; right now ministers should be involved in assessing the proposals of the public servants and making decisions about whether they are politically acceptable. We have not had accountability on this issue. The government knows what is happening with \$60 million of efficiency dividend savings in health, \$46 million of efficiency dividend savings in education and training and \$12.5 million of efficiency dividend savings in police. The government can tell us. If it is open, honest and accountable, it can table the full list of measures in each one of those portfolios. Instead, what we have had is accountability by public service leaks. Occasionally, we find out about one of the measures because it surfaces in public debate. We recently had an occasion when the Commissioner of Police made the decision, signed off by the minister, to pull the tactical response group out of protecting the state's oil and gas installations in the north west. That was an incredibly irresponsible outcome and a circumstance under which some of the most vital, valuable and vulnerable economic assets for the state and also the nation are to be given less protection as a result of the election of this government. The Minister for Police's performance on radio that morning was extraordinary. Remember, it was later revealed that he had signed off on this measure. When on radio he blamed me, even though I am in opposition; he blamed the Commissioner of Police; and he blamed the federal government. Finally, an hour later he was overruled by the Premier. Presumably, the Minister for Police has now been added to the Premier's office list of weak and untrustworthy ministers who have to be coached and shepherded through any media appearance.

We have been waiting for three more months for the government to come to grips with the economic situation confronting this state. It must be recognised that this is a very serious situation indeed. What is happening in the

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advanced economies and the economies of our trading partners is extremely disturbing. At the end of January the International Monetary Fund held a press briefing on its world economic outlook. This is what the IMF said on 28 January in that press briefing —

One way of summarizing our forecast is that we expect the global economy to come to a virtual standstill in 2009.

A little bit later it said —

In the advanced economies, we basically forecast the sharpest contraction in the postwar period.

Further on it said —

... we expect real activity to contract to about minus 1.5 percent for the U.S., 2 percent for the Eurozone, and 2-1/2 percent for Japan.

It then said —

When you do this and you use what we call PPP weights, then you get global growth to basically be about half a percent in 2009, and this is the lowest rate since World War II.

That is what the IMF was saying in January. The IMF was even more pessimistic this morning. On *The West Australian's* online site there is an article headed "World faces 'Great Recession': IMF chief". He said —

The IMF has warned that the world is gripped by a "Great Recession" that could throw millions back into poverty and spark civil unrest, as the United States appealed for joint action by nations against the crisis.

"The global financial crisis, that might now be called the great recession, provides a sobering backdrop to our conference," IMF Managing Director Dominique Strauss-Kahn told delegates at an anti-crisis meeting in Tanzania.

"The IMF expects global growth to slow below zero this year, the worst performance in most of our lifetimes ...

The IMF has gone from a very small positive growth forecast in January to, in its announcement today, world growth being below zero and being negative, and the world economy getting smaller. It is not surprising that Australia is starting to feel the impact of the circumstances. Western Australia will feel the impact of these circumstances. It is an exporting state. The strength of its economy is based on massive private sector business investment to support that export effort. Western Australia accounts for 38 per cent of the nation's merchandise export, more than that of New South Wales, Victoria and South Australia put together. If there is an impact on the economies of our trading partners, there will be an impact on Western Australia. To draw the house's attention to that impact on our trading partners' economies, I want to quote from a speech by the Assistant Governor Economic of the Reserve Bank of Australia, Dr Malcolm Edey. In that speech he produced a very interesting table, headed "Australia's Five Largest Export Markets". He listed the share of Australia's merchandise exports going to those partners and then what had happened to their economic growth in the December quarter. Australia's number one customer, Japan, with 19.3 per cent of Australia's merchandise exports, had a GDP growth of a negative 3.3 per cent; China, with 14.9 per cent of Australia's merchandise exports, had a growth of only 0.6 per cent; Korea had a growth of a negative 5.6 per cent; the Euro area had a growth of a negative 1.5 per cent; and the United States had a growth of a negative 1.6 per cent. That is what has happened to the economies of our five largest export markets. There must be an impact on Western Australia of these sorts of events internationally.

We need this government to get to grips with the challenge of governing, to face up to the challenge, to develop a plan, to develop a strategy to do something and to accept its responsibility. It is not as if it had a bad inheritance with which to confront this challenge. The economy doubled in size during the period of the Labor government. That growth was delivered by massive private sector investment. So much for the Premier's bleatings about the alleged anti-private sector nature of the previous government. That growth, which saw the economy double, was delivered by private sector confidence in the future of Western Australia. Private sector investment growth in the last calendar year grew 18.3 per cent in the year to September 2008. That was on Labor's watch. Some 200 000 jobs were created during the period of the Gallop and Carpenter Labor governments. On the financial side the government has a very strong inheritance. There were eight budget surpluses, not the five budget deficits out of eight delivered when the Premier was a member of the Court government's budget committee. The government inherited the lowest state debt on record at the end of the last financial year. There were strong investments in services in our period in government, in health, education, and law and order. We make no apology for those investments. The Treasurer derided them when he was in

opposition. They are derided now and trivialised as simply public service jobs, but they are the reason that people want a state government. They are the reason that people vote state governments in for services in health, education, and law and order. To deal with the economic challenges confronting us the government has a strong economic inheritance and a strong financial inheritance from the previous government.

I know what the new government will do. The global financial crisis, known as the GFC, will be its alibi for every broken promise and for every harsh decision. This government lacks compassion, sympathy and care. It will say, when challenged on these issues, that it is the GFC. Here is my view: if the government wants public understanding of the impact of the GFC and if it wants public acceptance of the government's argument that the GFC requires certain decisions to be made, it must demonstrate to the public that it has accepted its full responsibility for managing the impact of the global financial crisis on Western Australia. That requires a much more active role for government ministers. For a start, it requires the Premier to trust his ministers, because it cannot be done by one person alone. It requires a complete rethink of the government's approach. All of us have to be engaged in rethinking. All the debates, arguments and lessons we learned from seven and a half years of Labor government, from the start of the period of the boom, is invalidated by the sea change in economic circumstances that has now occurred. On the opposition side we need to rethink; in the community people need to rethink; and the government needs to rethink and accept its responsibility. We have not seen that happen.

I refer to the loss of jobs in Ravensthorpe. There was speculation in the press for weeks before it happened about the possibility of that nickel mine closing. The government, I am sure, would have been receiving advice from its departments—or could have received advice if it had asked for that advice—about the impact of falling nickel prices on the prospects of the nickel industry in Western Australia. Where was the government? It was clearly unprepared when the closure happened. Why had the government not been on the phone to BHP Billiton in the weeks before the closure to find out whether there was anything it could do—for example, whether there was any infrastructure issue, royalty issue or any other issue that it could become involved in to forestall that closure. Where was the preparation to provide assistance to workers? Where was the preparation to provide assistance to communities? The government was missing in action.

Mr C.J. Barnett: Where was the state agreement?

Mr E.S. RIPPER: If the Premier wants to advance the argument that the government did not have powers because of the absence of a state agreement, it had powers under the Mining Act to do the job. If it had been alert and if it had been active in its management of economic issues, it would have been prepared and there would have been a better performance for the people of Ravensthorpe and Hopetoun. Instead, the government gave every impression of a government unprepared and, on the run, making it up day by day. Unfortunately it will become a more serious issue. Ravensthorpe was not the last.

The West Australian reported on 25 February 2009, again on its online site, comments from BIS Shrapnel's chief economist Frank Gelber. He is quoted in the article as follows —

WA is facing economic disaster and minerals investment will slump by more than 50 per cent —

The article later continues —

Dr Gelber called on the Federal Government to increase infrastructure spending to soften the economic downturn which could see “10,000 job losses in Western Australia alone in the next 18 months”.

Further —

“For WA this is a disaster. The boom has been caused by strong minerals investment not only in the regions in which it has undertaken but in the industries and regions which service it,” he said.

Mr C.J. Barnett: Who said that?

Mr E.S. RIPPER: BIS Shrapnel's chief economist Frank Gelber, the bloke the Premier derided on television when he said that that company had been predicting that the boom would last forever, so he would discount any comment he might make.

We have a strange situation. We have had the Premier talking up the economy—complacently and arrogantly. We have had the Treasurer talking down the economy because he wants to dash our expectations; he wants a rolled gold global financial crisis alibi for every harsh decision that he will include in the next budget. The Premier and Treasurer had better sort out their rhetoric. If the Premier does not want anyone to talk down the economy, the first person he should talk to is his Treasurer.

Today we have heard the sad news that 160 people working at Harvey Beef Western Australia have lost their jobs. I understand the lost jobs involve 120 employees and 40 contractors. Where was the government on this issue?

Mr R.H. Cook: Missing in action.

Mr E.S. RIPPER: Missing in action again. It was asleep at the wheel. Did the minister meet with the managers of that operation; did the minister meet with the union; and did the minister do anything to help resolve the dispute between the workers and managers at that operation? It is very sad for these workers; it is very difficult for that community; and potentially it is quite difficult for the whole agricultural industry because it poses a threat to the processing of cattle for slaughter.

Mr B.J. Grylls: What would you have done?

Mr E.S. RIPPER: The Minister for Regional Development looks to the opposition for an answer. “What would you have done?” he asked. One thing that the government should do straightaway is demand that that company open its books so that everyone can see what the circumstances are. The government should then be involved in negotiating a solution, just as we were involved when Harvey Beef got into trouble a few years ago. The minister can go back and see what we did and compare it with his inaction. The Minister for Regional Development will see that he is not looking after the regions on this matter.

The government is missing in action and is asleep at the wheel on these economic issues, including job losses that threaten to get worse day by day. Where is the government’s worker assistance program; where is its community assistance program for threatened communities; what have been the government’s efforts to stall mine closures; and what intelligence system does it have in place to gather the information? Has it discussed with any mines the possibility of royalty deferrals or royalty holidays? Has it discussed that with any mines under threat? Has it discussed with any mines the possibility that in certain circumstances there might be an infrastructure bottleneck that gets in the way that the government could attend to? Has it been involved at all? We calculate that at least 6 000 jobs have gone already. BIS Shrapnel’s chief economist said that another 10 000 jobs will be lost in WA. What is the Premier doing about it? Nothing. What the government promised in Ravensthorpe is a road, with no time line, through an area of world-class biodiversity with a dieback threat. We do not support the road and we doubt whether the road will be built because of the environmental issues. It certainly will not be built in time to assist those people in Ravensthorpe and Hopetoun.

We have made our position very clear. The Premier obviously does not pay attention and just as he does not pay attention to job losses and the threat to our economy, he is not paying attention before he criticises the opposition.

We had some belated recognition by the government in the Premier’s Statement—I think that even the government has had to make some acknowledgment of the economic difficulties confronting it. The Premier’s Statement reads —

The government is acutely aware of the impact the crisis —

That is, the global financial crisis —

is having on the lives of Western Australians and their concerns about their jobs, the value of their assets ... and the future of their children.

That is a welcome statement. It is about time we had some acknowledgment like that from the government, but there has not been any action to back up that statement. Even the Premier’s Statement makes a general reference to “practical, commonsense decisions”. What is practical and commonsense about a protracted capital works review that puts the entire capital works program in doubt at a time when there is slackening business confidence and when people need to know what will be built and when it will be built? The government has been dithering over the capital works program and that dithering is contributing to Western Australia’s current economical circumstances.

What is practical and commonsense about the Premier’s obsession with public financing of the Oakajee port when there is a private sector proponent who is well and truly prepared to put up the finances for the building of that port? When we could be using taxpayers’ money for other public infrastructure, the Premier, because of his obsession, wants to have public funding for the Oakajee port, thereby spurning the private sector’s commitment. I think this will get the Premier into trouble. By changing the nature of the decision in contravention of the expressions of interest process, I think the Premier runs the risk of legal action. I think if that happens, we will see not progress on Oakajee but us falling into the mire. I hope that that does not happen, but the Premier has mishandled this issue; the way he has approached it is bizarre. The Premier is potentially provoking legal action. He is potentially threatening the possibility of federal government support for our infrastructure program by putting up a project that is a proposal contrary to the federal government’s declared criteria. The federal government does not want to put taxpayers’ money into projects that the private sector would otherwise fund. The federal government certainly does not want to put up taxpayers’ money for projects that have no business

case. I do not know whether there could be a business case for what the Premier proposes for Oakajee, but so far we have not seen a business case to support his observations on that project.

Mr C.J. Barnett interjected.

Mr E.S. RIPPER: He now says that it is our fault—like the police minister! Somehow or other what is happening in Western Australia is the opposition's fault. We are in opposition; the government has to take responsibility.

What is practical and commonsense about the stupid 1990s blinkered and prejudiced way in which the Premier has approached the Kimberley gas hub issue? Of course we need to develop the Browse Basin gas reserves. We support liquefied natural gas processing in the west Kimberley; however, if the government wants LNG processing in the west Kimberley, it must recognise that it is a very sensitive area. It is a unique environmental area of world-class significance. It is an area with substantial amounts of exclusive possession native title. Even where native title has not been determined in that area, there are very important mythological sites and very important elements of Aboriginal heritage.

Mr C.J. Barnett interjected.

Mr E.S. RIPPER: We had a process that was supported by all the stakeholders—Indigenous and environmental—that would have seen a preferred site selected by October last year. Instead, what we have is the Premier coming in over the top, alienating everyone, demonising the Aboriginal people and creating conflict where no conflict need be created, so that perhaps in the end he can come in à la Richard Court in the 1990s: "I am the strongman; I will deal with these Indigenous people; I will ensure that we have development." How sad that some of the people who are most supportive of development in the west Kimberley are being treated in this disgraceful manner. It is not only disgraceful from the point of view of fair treatment, but also it simply is not practical and not the most effective way to secure development. There was a process in place that would have selected a site earlier than the Premier's site —

Mr C.J. Barnett: The Northern Territory's Premier thinks you are fantastic! It's the biggest project he's ever had! He thanks you for it personally.

Mr E.S. RIPPER: We would have had a site selected by October 2010 with the full support —

Dr K.D. Hames: When?

Mr E.S. RIPPER: Selected by October 2008 with full approval in March 2010—with the full approval of the environmental and Indigenous groups.

What is practical and commonsense about the mess in the government's policy on electricity? We had significant private sector investment —

Dr K.D. Hames interjected.

Mr E.S. RIPPER: Twelve power stations funded by the private sector—that is the sort of economic growth and development that we want in this state.

Mr C.J. Barnett: Tell us where the \$1 billion went!

Mr E.S. RIPPER: That went to support Western Australian families. We protected them from the rising electricity prices —

Several members interjected.

Mr E.S. RIPPER: The government has not protected them! What do we have now? A threat to private sector investment in the electricity system. What is that threat? It comes from two quarters —

Mr C.J. Barnett: Where did the \$1 billion go?

Mr E.S. RIPPER: It comes from the Premier—who does not want to listen, but it comes from him—because he has promoted the amalgamation of Synergy and Verve. The Chamber of Commerce and Industry of Western Australia, the Chamber of Minerals and Energy and every energy expert in the entire state, except David Eiszele, have told the Premier that Synergy and Verve should not be amalgamated, and that if he goes ahead with it he will deter private sector investment. On one hand, the Premier says that private sector investment is required to keep the state's economy going, but on the other hand he is making a thorough mess of the Kimberley gas hub process and he is now deterring private sector investment in our electricity system. He is not alone. The Minister for Energy has allowed the cat out of the bag on privatisation. The Minister for Energy said that everything is on the table with a new government before he realised his mistake and hastily tried to stuff the screaming cat back into the bag. He got scratched on the way, as we would expect. That is speculation that the Premier needs to

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squash immediately because any thought that the electricity system might be privatised will deter private sector investment. People in the private sector will say, “Someone is going to be a winner, someone is going to have a monopoly and someone will have an advantage. Why would I build a power station right now and subject myself to the risk that in one or two years Synergy and Verve might be amalgamated?” If the Premier wants private sector investment in the electricity industry in this state, he should put to bed once and for all the prospect of a Synergy-Verve amalgamation. He should say that it will not happen and he should put privatisation absolutely out of the question and off the table.

What is practical and commonsense about a government that in the midst of a gathering economic crisis has no training policy? It went to the election with no training policy. The number of people in apprenticeships and traineeships doubled on our watch. There has been a very sharp reduction in the number of people signing up for apprenticeships and traineeships in the few months of this government’s watch. The government promised a training policy before Christmas. It still has not appeared. In comparison, the Rudd government has put additional money into training. The Rudd government has recognised the threat to apprentices’ security and it has provided money to look after those apprentices who might otherwise have to forgo their training. The state government has been missing in action—asleep at the wheel—on the training question. Perhaps it is because the Minister for Energy and Minister for Training is on that Premier’s office list of weak and untrustworthy ministers. That is one conclusion we can arrive at.

Apart from those matters, the Premier also said in his statement that prudent management of finances would be a very important mechanism for managing the state’s economy during this period. Prudent financial management would be a first for the Premier. He was on the budget committee in the Court government when it ran five budget deficits out of eight. I wish the Treasurer luck in dealing with a Premier with his record on finances. However, let us remind ourselves what is happening. Debt is skyrocketing, deficits are forecast and there is a serious threat to the AAA credit rating. None of this is inevitable; these things can be dealt with by management. I know what the Treasurer will do: he will bring out the global financial crisis alibi again. It is the beautiful thing that the government has to give it an excuse to do anything it wants.

Let us look at what the government is actually doing. It is adding to expenses. The royalties for regions program has added \$2.36 billion to the forward estimates. That is \$2.36 billion of additional expense. We said before the global financial crisis that that was unsustainable. We said before the global financial crisis that a billion dollars extra of investment in the regions would be the maximum that the finances could sustain. Those opposite signed up to \$2.36 billion across the forward estimates, and they are continuing with that after the global financial crisis. They cannot claim the GFC as an alibi while they have this extraordinary growth in expenses. There will be consequences. There will be service cuts and there will be fudging; there will be dishonesty. Watch out, Minister for Regional Development and Leader of the National Party. He will be asked to rebadge as royalties for regions everything that would otherwise have already been spent in the regions, and a tiny extra drop will come out the other end of the pipe in real expenditure for the regions.

Mr T.G. Stephens: He’s already rebadging our programs.

Mr E.S. RIPPER: Yes, he is rebadging our programs, and soon he will be rebadging core services as royalties for regions—core services that people have a right to expect wherever they live in the state. How can the Treasurer claim the GFC alibi when expenses for this financial year are up \$881 million when we look at the difference between the *Mid-year Review of Public Sector Finances* and the *Pre-election Financial Projections Statement*? Of course, the global financial crisis is having an impact on our revenue, but look at what the government is doing with its own contribution. There is expense growth of 12 per cent, which is the highest on record, I believe, in the *Mid-year Review*. Revenue, far from falling, was actually up by \$136 million, but expenses were up by 12 per cent, an extra \$881 million, between the *Mid-year Review* and the *Pre-election Financial Projections Statement*. Total expenses are up \$3.8 billion over five years. That is what the government has added to expenses since the election, and it dares to use the global financial crisis as an alibi.

The Premier’s Statement also refers to an infrastructure program. The government boasted that this year \$7.7 billion is being spent on infrastructure. Of course, that is the infrastructure program that was in the last Labor budget. I will be looking for how much of that has actually been delivered by the end of the financial year, and I will be looking at what the future program will be like.

The government has claimed that it has brought forward funding for the children’s hospital. I think that is a broken promise. The Liberals said before the election that this hospital would be privately funded and completed by 2014. They said it would be operational by 2014. They are now saying that it will be publicly funded and they are not sure of the timing—it may be 2015. They went to the election with a big promise that they had some special way of delivering this hospital that would have it operational two years before the Labor policy would have. Now, after the election, they no longer have the special funding mechanism and they do not know the

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timing—it may be 2015. The Liberals will not beat the Labor government timing on the hospital, contrary to the solemn promise that they made. Other hospitals will go by the board. What has happened to the Midland hospital, Premier? He will not answer the question, Mr Speaker. He will not tell us what has happened to the Midland hospital. Let me tell the affected members. Let me tell the member for Forrestfield. I think that he and I will find that our constituents are not going to get the Midland hospital. That is my prediction. I think that is very sad, because they were looking forward to a general hospital at Midland and they are not going to get it.

The Premier's Statement was also remarkably misleading. The Premier's Statement claimed that this new government had got on with the Muchea saleyards. The government said that the saleyards had been stalled under Labor. The final financing decisions for the Muchea saleyards were made before the election, signed off at the time by the Acting Treasurer, the member for Balcatta. The member for Balcatta, as Acting Treasurer, signed off on the Muchea saleyards before the election. It is an absolute fabrication—it is not the truth—for the new government to come along and claim that it had to rescue the Muchea saleyards. I know that the former Premier instructed that the Muchea saleyards be fully funded before we went to the election, and the Acting Treasurer at the time, the member for Balcatta, signed off on that.

Let us go to some of the projects that the state government is approaching the federal government about. I believe there is a serious risk with Oakajee. I have already discussed some of the issues with Oakajee. I think the Premier's approach has put at risk the possibility of federal funding. I hope that the federal government provides strong support for Western Australian infrastructure needs. If it does, that will be in accordance with our advocacy. However, the Premier put up a list that did not include some very good projects, such as the Pilbara integrated electricity system—a major nation-building and region-building project which would have left lasting infrastructure of quality in the Pilbara and which had the potential to be the biggest greenhouse gas abatement project in the nation. He did not put that up. He has put up Northbridge, but he has focused on a civic square or a park. The absence of a publicly available business case, I think, jeopardises the chances of receiving federal funding for that particular issue.

Several members interjected.

Mr E.S. RIPPER: Obviously, my arguments strike a nerve. Listen to them bleat and protest as I run through their failures on these issues.

I will now turn to one other set of issues before I finish. The issue that I want to raise is a very serious one, and that is the question of broken promises. Broken promises undermine the very nature of our political system; broken promises undermine our democracy. We have a blatant case of a broken promise with the question of lead exports through Fremantle. The Premier made a solemn promise on this matter to the people of Fremantle, published in the *Fremantle Herald* on the very morning of the election. He said —

“If [it's] not safe to ship out of Esperance it certainly isn't acceptable to transport it through the heavily populated metropolitan area,” ...

That was not a verbal comment; that was not an off-the-cuff comment. That was a written response to a written question in an email. There is no way of interpreting that promise other than that lead would not be exported out of Fremantle under a Liberal government. Now we have a broken promise that is not only a threat to the environment and community safety, but also a threat to our democracy. A prospective Premier cannot make such a promise on the morning of an election on such a sensitive community issue as that and then go around and pretend that his is an open, honest and accountable government. He cannot do that, but that is what the Premier did.

Mr C.J. Barnett: Why don't we have a by-election and let the people of Fremantle decide?

Mr E.S. RIPPER: Perhaps we could have a referendum if that is what the Premier thinks.

Several members interjected.

The SPEAKER: The purpose of the Premier's Statement is to enable members in the house to respond to what was in the Premier's Statement. I believe that is what the Leader of the Opposition is reacting to and that that is the speech he is making. The current questions in the house are not pertinent to the Premier's Statement. I urge the Leader of the Opposition to continue to the conclusion of his remarks.

Mr E.S. RIPPER: Thank you, Mr Speaker.

It takes a while for the true character of a government to emerge. We need to watch a government to see how it actually performs. However, already a very disturbing pattern is emerging. We have a government that is centralised, complacent and inactive. Moreover, we have a government that is dismissive of its obligation to honour the promises that it has made to the electorate. Frankly, most of this government's ministers are not

trusted by the Premier and the Premier's office to do their job. I will give members a long list—it could be even longer: the Minister for Local Government, the Minister for Mental Health, the Minister for Education, the Minister for Child Protection, the Minister for Transport and the Minister for the Environment. Those ministers are demonstrably weak. Those ministers are demonstrably not trusted by the Premier. The performance of those ministers must give heart to the ambitions of those people of talent and quality who are currently on the back bench. They must be heartened. They must think if that is all it takes to be a minister in the Barnett government, there is a chance for them, even despite their lack of political experience.

Several members interjected.

Mr E.S. RIPPER: The member for Jandakot has just walked into the chamber. The member for Jandakot is ready to step up at a moment's notice! He will not even bother to sheathe the knife! It will still be dripping with blood as he steps into the white car, and I hope the government garage will be able to clean it off!

The government has been asleep at the wheel on the three per cent cuts. It has been asleep at the wheel on Ravensthorpe. It has been asleep at the wheel on Harvey Beef. It has been dithering on infrastructure. It has been missing in action on training. It has been asleep at the wheel as the economy has been burning and as Western Australian jobs and Western Australian families have been coming under threat. The global economic crisis is really serious. It will have very negative impacts on Western Australia. However, Western Australia has the capacity and the potential to do better than the other states of this country, just as this country has the potential to do better than the rest of the world as we go through this economic crisis. However, in order for Western Australia to do better we will need determined and coordinated action from strong ministers. We have not seen that from this government. I say to the Premier: where is the plan? Where is the strategy? Where is the compassion? Where is the care? Where is the ministerial action? Why will the Premier not trust his weak ministers and let them do their jobs? Because of the emerging character of this government, Western Australians will suffer more from the global financial crisis than they need do.

Amendment to Question

Mr E.S. RIPPER: As a consequence of those arguments, I move the following amendment to the question that the Premier's Statement be noted —

That the following words be added after "noted" —

and that the house condemns the Liberal-National government for its failure to effectively manage the Western Australian economy and protect jobs

MR M. MCGOWAN (Rockingham) [1.03 pm]: I support the amendment moved by the Leader of the Opposition. The most important issue in Western Australia today is the management of the Western Australian economy. People around our state are losing their employment as we speak. This morning we heard of more than 100 workers at Harvey Beef who have lost their jobs. Our view as an opposition is that this is the number one issue in Western Australia. There is no doubt that our state, like the rest of the world, is being impacted upon by the global financial crisis. As an opposition we accept that the world financial crisis is not the fault of this state government. However, we would say also that this state government should not be surrendering to the circumstances in which it has been placed and saying that it cannot do anything about it. This government should be taking action to deal with what is happening around the world and the impact that is having on Western Australia. We believe in activist government. We believe government has a role to play in solving problems when they arise. Indeed, at the commonwealth level we have seen a government that is willing to take its responsibilities seriously and do something about what is happening in the world economy. However, this state government has run up the white flag on this issue.

Last evening I happened to listen to some comments made by Hon Norman Moore, the resources minister, in the upper house about the role of the state government when it comes to job losses in Western Australia. The minister said that he suspects that the government can probably do very little about that. This is the minister who is responsible for the mining industry in Western Australia. He is saying that he thinks there is very little that the state government can do about the circumstances that Western Australia is facing. I do not agree that the ministers of this government should just sit in their offices and do nothing while thousands of people around Western Australia are losing their jobs.

I will outline to the house some of the projects that have been downsized or lost in Western Australia. My information comes from a document titled *Western Australian Economic Summary*, which was put out by the Department of Treasury and Finance in February this year. That document lists the Ravensthorpe nickel project; some downsizing in Rio Tinto and Fortescue Metals Group operations; some freezing of recruitment by Woodside; some scaling back of mid-west iron ore projects; and job losses in Perth at Austal Ships and at air conditioning factories. Today we have heard about the job losses at Harvey Beef. We have also done our own

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analysis. We have found all sorts of projects around Western Australia—Norilsk Nickel, Newcrest Mining and BHP Billiton, to name just a few—that are laying off workers as we speak, or are closing down.

That can be contrasted with the situation that existed under the former government. I want to put to bed the argument that approvals were not granted under the former government. I want everyone in this house to understand what happened. When the Gallop Labor government came to office in 2001, there were—according to the Department of Industry and Resources as it then was—251 operating mines in Western Australia. When the Carpenter government lost office in September last year, there were 546 operating mines in Western Australia. In other words, during our time in government the number of operating mines in Western Australia more than doubled. Yet we hear this rubbish, this tripe, and these absolutely made up—I could use some other words—and completely ridiculous allegations that no approvals were granted under our government. Under our government the number of operating mines in Western Australia increased from 251 to 546. I want all members in this house, particularly members on the government side, to remember that figure. One comment that has been made to me is we should have a system like the one in South Australia, where the government has doubled the number of mines. It is certainly true that the government in South Australia has doubled the number of mines. It has doubled the number of mines from four to eight! If only we could copy South Australia! We would then go from four operating mines to eight! Instead, we went from 251 to 546. Now what has happened? Fifteen mines have been closed or downsized since this government has been in office, as the Minister for Mines and Petroleum admitted yesterday, and we have seen all sorts of other projects which are not part of the mining industry in which people are losing their jobs around Western Australia.

This government has exacerbated the problem. I say to it that it needs to make some significant changes. I will outline to the house the sorts of things this government has done to make it worse. I want to put it in context, because when the Gallop government came to office in 2001, this is what the now Premier said. A few months after the Gallop government came to power he said that it needed to roll its sleeves up, start seeing people and dealing with groups and dealing with issues. That is his philosophy on government, apparently: start dealing with people and start dealing with issues.

What did this government do when it came to office? It went on holidays! I know that has been commented upon by a number of members—and probably will by a number more—but when the global financial crisis hit in October last year, what did the Treasurer do? He went camping! He went camping! “I had this commitment for a while. I’ve got to go out there in the bush and experience the country air. I can’t come back to my office and deal with the global financial crisis.” It is only the greatest crisis in 80 years around the world, but our Treasurer heads out bush, instead of dealing with it! Other members will deal with the holidays; other members will deal with the camping habits of the Treasurer. I want to deal with some other issues.

Mr T.R. Buswell: You might want to take your boys camping one day; I’ll show you a good spot!

Mr M. McGOWAN: I did not take holidays. I actually thought that it was an important period for members to be around! The Treasurer then went overseas. If I were him, I would go overseas, too, I suppose! They know him well in Vietnam, I suppose. They may know his record over there!

I want to deal with another issue. This government —

Mr T.R. Buswell: You’ve got no friends in the tourism sector!

Mr M. McGOWAN: No friends in the tourism sector? The Treasurer goes camping and then he goes to Vietnam, and he thinks that is helping the tourism industry in this state! What businesses benefited from him being out there in the bush avoiding his responsibilities —

Mr T.R. Buswell: I stayed in a caravan park!

Mr M. McGOWAN: Oh my goodness!

The other issue I want to deal with is that this government says that it has to roll up its sleeves and get to work—it has hit the ground reviewing! I have done an analysis of the reviews and committees that it has set up—there are 29 that I have worked out, and that is just my analysis without the benefit of 100 000 public servants. It has set up 29 new reviews and committees in its time in office. There are the review of the licensing business units revenue collection processes; the administrative review of the cross-jurisdictional data linkage program; the review of the National Health Service addressing unplanned patient care. The list goes on and on and on. What happened to ministers actually doing their jobs, instead of setting up 29 reviews and committees?

The one I want to concentrate on is the review by the Mining Approvals Working Group which has been set up by the government. Yes, of course, there was a shocking rate of approvals under our government; we only more than doubled the number of mines in Western Australia in seven and a half years! What a record! Can members imagine a more appalling record than 300 new mines in Western Australia in seven and a half years? Be that as it

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may. The government set up this review of the mining approvals process. Who did it get to head up the review? Mr Peter Jones, an octogenarian. A nearly octogenarian is running this review, whose sole qualification appears to be that he was president of the Liberal Party of Western Australia 25 years ago, and 30 years ago, for a period of two years, he was the Minister for Resources. So 30 years ago he was the Minister for Resources, 25 years ago he was the president of the Liberal Party, and he is now nearly 80 years old. He is running the review of the mining industry around Western Australia. No doubt he is a factional ally of Hon Norman Moore—give him a job—and he will fix up the mining industry approvals process! An octogenarian. My goodness!

It gets worse. The government hit the ground reviewing, and we then have the Minister for Environment—talk about holidays! Earlier this year we found out that the Minister for Environment had 21 major matters awaiting decisions sitting on her desk! Whilst we have the world financial crisis going on, she goes away for three weeks and refuses to come back and do anything about those decisions. Three weeks! We had companies around Western Australia bleeding —

Mr T.R. Buswell: Which ones?

Mr M. McGOWAN: Does the Treasurer want me to go over them? I have the list right here, my friend! It is an extraordinary example of slackness on the part of a minister that she would go on holidays for three weeks whilst she had 21 major environmental decisions sitting on her desk—she has confirmed that, by the way.

Mr T.R. Buswell: Which companies were bleeding?

Mr M. McGOWAN: There was the Super Pit expansion; the Devil Creek gas development project; Tutunup South mineral sands project; the Balla Balla magnetite project —

Mr C.C. Porter: How long had they all been waiting on the desk of the previous minister?

Mr M. McGOWAN: Is the member defending her?

Mr C.C. Porter: How long had they all been waiting on the desk of the previous minister?

Mr M. McGOWAN: Is the member saying that is okay? We have the two dark princes of the Liberal Party sitting over there! Rivals sitting next to each other with knives drawn! Who is going to get the job? Who is going to get the job when the tired old Premier goes? We do not know who has the quickest draw. Maybe they could have a duel!

Let us get this straight: last night the Minister for Environment admitted that she will not see company proponents whilst the proposal is in the appeals convenor process. We are in the middle of the worst economic crisis in the history of the world for 80 years and she will not see proponents! Extraordinary! She says, “No, I can’t see anyone.” Her performance last night on the *7.30 Report* was worth watching for comic value! As we all know, Hon Norman Moore is out there all over Western Australia running her down. For once—I know it is unusual—I agree with Hon Norman Moore in his assessment of her abilities.

The Gorgon project. The Premier, as he does—he can make a good speech without notes; a nice ability—loves to show off that he can stand in front of an audience of 400 businesspeople and what-have-you, like he did last week, and make a speech without notes. Unfortunately, when we do that, sometimes our mouth runs away from us. The Premier said that there is a \$50 billion price tag attached to the Gorgon project. That is a doubling in the cost of that project. That has been reported on mining and industry websites and publications around the world: the *Oil & Gas Eurasia* publication; Reuters is running it; PetroleumNews.net; Energy Intelligence—the list goes on. All over the world, these publications, which are read by people involved in this business, are reporting a doubling in the cost of a project in Western Australia—a doubling not revealed by the company, but by the Premier! Yesterday during question time he said, “That was my educated guess.” That was my educated guess! But if members listened carefully later in his answer, they would have heard him say —

I have discussions with Chevron on a regular basis, and following those discussions, this is the figure I consider the project broadly to be at.

In other words, the Premier revealed a private confidential briefing that Gorgon provided to the Premier about the cost. He said —

I have discussions with Chevron on a regular basis, and following those discussions, this is the figure I consider the project broadly to be at.

How can a major business come into Western Australia and brief the government anymore? How can a major business tell the Premier anything? Loose lips sink ships, and this Premier has very, very loose lips. If that does not send a message to business around Western Australia that it cannot have any faith in this government, I do not know what does.

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I will make a few more points in closing. The Premier went to Japan to sell Western Australia, which I endorse. However, I do not endorse him going over there to apologise. I think that was extraordinary. It is great to go to Japan to sell Western Australia. I do not know how much the Premier knows about geography, but as the aircraft was flying north, he did not look out the window on his portside and say, "Oh, there's China. Maybe I should go to China and talk to them as the new Premier?". He did not go to China.

Mr T.R. Buswell: He is going to China.

Mr M. McGOWAN: He should have gone to China then. He is going to do a lot of things.

I want to close by giving an economic summary of Western Australia. Japan is very important to Western Australia, as 18.1 per cent of Western Australia's exports go to Japan. Japan is an important place to go to. Some 27.2 per cent of Western Australian exports go to China, which is a far bigger market. I do not denigrate Japan. I went there as a minister, the former Premier went there, his predecessor went there and the future Premier has been to Japan regularly. I like Japan, to be honest; it is a great place to go to and to sell Western Australia. China receives 27.2 per cent of Western Australian exports compared with Japan, which receives 18.1 per cent. The Premier completely ignored China. That is grossly negligent. The Premier did not have the time to call in to China in the middle of the greatest economic crisis we have seen in 80 years. My goodness! There we have it.

On top of that, there will be a three per cent cut in the budgets of approvals agencies. I have referred to the issue of holidays and the fact that there have been more reviews than one can poke a stick at. The Minister for Environment does not do her job properly, and the Premier has revealed confidential information and ignored our biggest export market. What sort of a government is this?

The DEPUTY SPEAKER: The question is that the amendment be agreed to. Those in favour say aye.

Point of Order

Ms A.J.G. MacTIERNAN: We are still speaking on it.

The DEPUTY SPEAKER: Sorry, I was told to put the motion.

Mr B.S. WYATT: Mr Deputy Speaker, I would like to speak to the amendment, if I could.

Mr M. McGOWAN: I am not sure about the advice you have received, Mr Deputy Speaker but when an amendment is moved, members are able to speak to it. We have another member who wishes to speak to it and I suspect that a government member will also want to speak to it. That is the ordinary practice.

The DEPUTY SPEAKER: Go ahead, member for Victoria Park.

Debate Resumed

MR B.S. WYATT (Victoria Park) [1.23 pm]: Thank you, Mr Deputy Speaker. I thought that the standing order had changed for a minute and that no-one had told me.

I too rise to speak to the amendment that the house condemns the Liberal-National government for its failure to effectively manage the Western Australian economy and protect jobs. I will not repeat what the Leader of the Opposition and the member for Rockingham have already said on this issue.

Mr T.R. Buswell: You're a generous man.

Mr B.S. WYATT: I thought that I had two minutes left, but it appears that I have 20. I will see if I can fill that time by talking about the negligence of the government. I have no doubt that it will not be hard to do.

As the member for Rockingham has said, nobody denies that the government has faced extraordinarily difficult economic circumstances in a very brief time. The global financial crisis has changed the economic outlook quite dramatically. No-one denies that. Our issue with the government is that it does not seem to have realised that it is its responsibility as the government of Western Australia to respond in a swift, responsible and adequate manner to the consequences of the global financial crisis. It is apparent to me that the one message I have been getting from this government is that it is cantankerous. It resents the fact that it finds itself in power and must implement policies that it copied from the Australian Labor Party. The argument being run by the Treasurer and the Leader of the House is that because they did not come up with their own economic policies during the election campaign and therefore copied ours, it is our fault that the government must now implement them. It is an absurd argument, particularly when it refers to the three per cent efficiency dividend.

I refer briefly to the general mood of this government. It is quite resentful that it has found itself in power and must actually take responsibility and exercise power. I refer to the Treasurer's media release of 27 February

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2009. It was the Treasurer's fifth media release that said the same thing. The journalists have even stopped covering the story. The final statement of the media release is —

Mr Ripper was the Treasurer who decided to impose a three per cent efficiency dividend on every government agency—now in Opposition he criticises every attempt to implement the three per cent.

“I challenge him to produce his own fully costed list of three per cent savings from every agency—if he can't, he should butt out.”

Without denying the economic sophistication of the Treasurer's media release, the fact is that he is the Treasurer. Time and again we hear the complaint that because the government has copied our three per cent efficiency dividend, it resents having to implement it. Nothing was more absurd or entertaining than listening to the Minister for Police trying to explain to the people of Western Australia on 6PR radio why he was cutting back police from the north west. Thankfully the callers who phoned in after the Minister for Police put him in his place about exactly what they thought of his ridiculous argument.

The three per cent efficiency dividend is coming unstuck. The midyear economic review is the one document that can be attributed to the new government. Six months on, it is the new government's document and it contains the government's own costings.

Mr T.R. Buswell: Six months on from what?

Mr B.S. WYATT: From the election.

Mr T.R. Buswell: It was released six months on from the election?

Mr B.S. WYATT: Does the Treasurer recall the election? It was six months ago. The midyear economic review is an economically lazy document. Rather than taking the time to actually bring down a mini-budget to explain what the new government will do, the government has simply told Treasury to factor in the government's expenses and royalties for regions and asked it to cobble together this document and to send it out. We are left with a midyear economic review showing everything blowing out. The government has not yet said that there has been a change in its financial strategy, so I assume it is sticking with it. The midyear review shows that everything is blowing out, yet it does not outline a process or progress that will return us to the appropriate financial strategy, as is required under the Government Financial Responsibility Act 2000. That legislation seems to have been completely and utterly ignored. The government is drifting along while everyone waits to know exactly what it is doing.

I return to the three per cent efficiency dividend. It has been particularly entertaining to watch ministers stumble in the media when trying to explain what a department is or is not doing. Professor Peter Kenyon from Curtin University best describes this. He said that the efficiency drive in its current state is ineffective and confusing. I am not surprised by that because the government has not taken any leadership in or responsibility for the implementation of it. The upper house's Standing Committee on Estimates and Financial Operations, in its wisdom, is looking into this matter. The committee has written to all the departments and ministers seeking input into and commentary on exactly what they are doing. The committee posted its findings on the internet. I had the pleasure of going through some of the more hilarious responses given by ministers. I liked the response from the Treasurer dated 3 February 2009 to the question —

Have Government agencies been given guidelines or instructions on how to implement a three per cent efficiency dividend?

Response: Yes, please see attachments 1 and 2.

Attachment 1 is the entire set of guidelines given to government departments about how they should find a three per cent efficiency dividend. It is about a page and a quarter in length. The point is made in it that cabinet made the decision on 13 October 2008 to implement a three per cent efficiency dividend with effect from 1 January 2009. The amount each agency must find is X. Just one paragraph of guidance is given to the various directors general on how to find the three per cent efficiency dividend. I thought that the document would have been signed by either the Treasurer or, more appropriately, by the Premier. However, it was signed by the Acting Deputy Under Treasurer. This is the problem. The bureaucracy is managing the bureaucracy to make cuts in the bureaucracy. The complete hands-off approach taken by this government is simply absurd.

Another amusing response was made by the Acting Premier at the time, Dr Kim Hames on 19 January. He wrote to Hon Sue Ellery, who chairs the committee, three months after cabinet decided to implement the efficiency dividend.

Three months later, his response to the committee was —

As yet however, those policy decisions have not been made.

These were policy decisions to implement the previous efficiency dividend. He continued —

Once the policy decisions of Government have been made, Ministers may be in a position to respond.

The problem that we have with drifting along for nine months—effectively, from the time of the election campaign to budget day—is that decisions are not being made. As a result, we are starting to get absurd and unsustainable results, such as expenditure growth of 13.1 per cent in the second half of last year. That is the greatest growth in a six-month period of expenditure in the past decade.

Mr W.J. Johnston: Who was the Treasurer who said that?

Mr B.S. WYATT: The current Treasurer; this is his lot. He enjoys presiding over these figures. He is the man who furiously attacked the Labor government over its expenditure growth, but who, in a second, will get up and say, “We had to make the expenditure decisions that the former government would not.” Again, it is one of those great arguments: “As you would not make decisions, we had to!” The argument is quite simply absurd.

I come back to the point I made about the need for a mini-budget rather than a midyear economic review—that economically lazy document. Today we read the Treasurer’s Advance Authorisation Bill 2009. One thing I recall from sitting on the back bench in government was the current Treasurer—whatever he was at the time; he went through a few roles—attacking the then Treasurer, Hon Eric Ripper, the now Leader of the Opposition, on the growth in the use of out-of-budget spending under the Treasurer’s Advance Authorisation Bill. Frankly, I think that is an area of expense that needs clear scrutiny, as it is expenditure beyond the budget process.

Under the Financial Management Act 2006, there was an automatic authorisation last year of three per cent. That three per cent last year was effectively almost the same as it is this year at some \$437 million. The then Treasurer last year sought an increase beyond that three per cent of \$313 million, bringing the total to \$750 million. The current Treasurer, in his bill, is seeking permission from this place for extra spending of \$762 million—a rise of some 130 per cent beyond the extra sought last year. This is the current government’s rise.

Members opposite attacked us on this issue last year. The current government must explain whether the financial strategies of the government have changed; and, if so, it needs to comply with the terms of the Government Financial Responsibility Act 2000 and explain itself to this place. Under that act, any change to the financial strategy of the state is supposed to be delivered as soon as possible. Delivering a budget nine months after the election date is hardly “as soon as possible”. What we are seeing now is the inevitable result of a government handing over responsibility for the harder decisions of government—that is, cutting expenditure—to bureaucrats. If the government cannot get a successful implementation, in particular, of the three per cent efficiency dividend, I dare say it will struggle to find further savings beyond that three per cent.

We have the government drifting along with expenditure growing at 13.1 per cent and the Treasurer’s advance growing at 130 per cent on last year’s figure. The result is not just evidence of a hands-off government, but of a grumpy government—a government that seems put out by the fact that despite copying our economic policies, it is now reluctant and irritated by the fact that it has to implement them and also that the opposition is criticising it. That is the role of opposition: we watch what the government does and make critical commentary.

I note that wonderful and economically sophisticated media release telling Eric Ripper to butt out. I went back to look at the then shadow Treasurer’s commentary while he was in opposition in the past couple of years. He was long on rhetoric and short on specifics. The current Treasurer did not make too many great recommendations while in opposition. It is absurd to think that this opposition must now guide the government in an environment in which this government is grumpy that it had to adopt the exact policies that we took to the election campaign. It is clear the Treasurer’s Advance Authorisation Bill 2009 is another very large indication that nobody in government is spending any time or effort on the expenditure side of government programs. We now see the result: growth in expenditure of 13.1 per cent. The “Pre-election Financial Projections Statement” showed expenditure growth of 7.5 per cent, which was part of the briefing that the Treasurer received on 24 September. I dare say, at the end of this financial year, government expenditure will be significantly greater than 7.5 per cent. This is a hands-off government with nobody in charge, and the ship is drifting.

MR J.M. FRANCIS (Jandakot) [1.36 pm]: I have heard a lot about jobs in Western Australia. I must say, law and order aside, I believe —

The DEPUTY SPEAKER: Please remember that we are now speaking on the amendment, and the member must keep his comments germane to the amendment.

Mr J.M. FRANCIS: Thank you, Mr Deputy Speaker. I am referring to the comments of the Leader of the Opposition and the member for Rockingham on the amendment to the motion, and in particular their comments

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regarding jobs and employment in Western Australia. Those comments lead me to raise two major issues in the south metropolitan region that have significant impact on the creation of jobs in this state. I have no other choice except to point out the hypocrisy of the Labor Party on the issues of exporting lead through the port of Fremantle and the development of Latitude 32 industry zone.

I will start with the issue of exporting lead through Fremantle. For those members who are not too familiar with this issue, the Department of Environment and Conservation, upon recommendations from the Environmental Protection Authority, has put in a raft of measures, some very stringent measures, to ensure the safety of people who live in the area.

I also note that the railway line travels through the electorate of Jandakot, but I point out that not one single constituent in my electorate has raised this issue with me. Nonetheless, the issue is being made into a beat-up, so we should look at the conditions that are imposed on Magellan Metals. For example, a \$5 million bond for Magellan to export lead; the appointment of an independent auditor to inspect each sealed bag—these bags of lead are double bagged and placed in sealed and locked containers; a complete and comprehensive health and hygiene plan; auditing of sealed shipments at both Wiluna and Fremantle; washing of bags once they are sealed to remove external dust; washing the containers before they are loaded onto the train; and baseline lead sampling along the transport route and within the port of Fremantle, including soil sampling, rainwater tank sampling, dust sampling, air quality monitoring, and seabed and drainage sump sampling along the transport route from the minesite to the port of Fremantle. The conditions also require an appropriate emergency response program, a summary of annual environmental reports submitted to the state government, and for Magellan's performance to be reviewed after 18 months.

The government has a plan that is far more stringent than that which was proposed by the Labor government in 2008. That plan had the support of both the member for Fremantle and the member for Cockburn. In fact, I came across a newspaper article from the *Fremantle Herald* dated 16 February 2008 that reads, "Two powerful MLAs"—not just MLAs, but particularly powerful MLAs—"whose electorates will have Magellan Metals' lead hauled through them have no beef with the proposal." They did not have a problem with it.

Several members interjected.

Mr J.M. FRANCIS: I need to get through this because I need to discuss the issue of jobs. I will quote the member for Cockburn in an article published last February. These guys have as much integrity on jobs in Western Australia as the member for Armadale has on road safety. The article continues —

With the appropriate safeguards in place, I don't have a problem with the lead shipments being sent through Fremantle Ports.

That is what the member for Cockburn said.

In fact, the member for Willagee also said —

"The environment minister has placed a raft of the toughest conditions —

Which the present government has exceeded —

available under the law on this proposal ... and it will not go ahead unless and until these conditions are met."

The member for Mandurah, when he was Minister for the Environment, said that these conditions were unprecedented. Now they are even more unprecedented. The member for Fremantle did not have a problem with them, and neither did the member for Cockburn. Now the government has changed, they suddenly have a problem. I made a telephone call last week. I wondered how many jobs might be at risk if we did not export lead through the port of Fremantle. Does any member want to guess? Five hundred. The opposition talks about knocking down jobs.

Mr M.P. Whitely: Why did the Premier promise a week before the election that it would not go ahead? That is the issue here.

Mr J.M. FRANCIS: It is not rocket science. There is a big difference between the bulk export of ore, and exporting ore in sealed bags in locked containers.

Mr M.P. Whitely interjected.

The DEPUTY SPEAKER: Order, member for Bassendean!

Mr J.M. FRANCIS: The real big one is the Latitude 32 development. We know that lead exports through Fremantle is just a political beat-up.

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Mr M.P. Whitely interjected.

The DEPUTY SPEAKER: Order! The member for Bassendean has a very loud, sonorous voice that is drowning out the member for Jandakot and I ask him please to let him carry on with his speech.

Mr J.M. FRANCIS: The truth about Fremantle is that anyone would suspect that there was a by-election coming up, and there may be a preselection in the Labor Party. The secretary of the Liquor, Hospitality and Miscellaneous Union would love to see himself as the Labor candidate.

Ms A.J.G. MacTiernan: What did you tell the environmental groups when you were standing for election about your position on Roe Highway stage 8?

Mr J.M. FRANCIS: I did not know we were talking about that; I thought we were talking about jobs. I will talk now about the beat-up going on in my area and the electorate of the member for Cockburn about freight going through the electorate of Cockburn. The member for Armadale wants to interject in this debate, so I am happy to include her. I will go back to a press release dated 5 January 2005 issued by the then Minister for Planning and Infrastructure, the current member for Armadale. It relates to Latitude 32, and the development area that is referred to as the Hope Valley-Wattleup redevelopment project. The issue at the moment is that the member for Cockburn is running around creating all kinds of little bushfires and stirring up public opinion.

Mr T.R. Buswell: Has he rediscovered his electorate?

Mr J.M. FRANCIS: I have seen him in the past week. I saw his electorate officer last Monday night, scrutineering for Stephen Lee. It was quite amusing. It was all over very quickly; they left very disappointed. The press release from the then Minister for Planning and Infrastructure stated —

Ms MacTiernan has signed off on the Hope Valley Wattleup Redevelopment Project ... master plan, which will guide development in the area for the next 30 years.

The plan will help sustain the State's near-record economic growth and deliver thousands of jobs in the decades to come.

So far, so good. The press release continues —

The sign-off follows extensive community consultation and environmental review and approval of the Environmental Protection Authority and Minister for the Environment

...

“It will provide the industrial land supply needed to support the State's economic growth in this region for the next 30 years.”

So far, so good. The press release continues —

The project is expected to deliver about 10,000 jobs.

That will not happen if the member for Cockburn has his way. We will not see any jobs; he does not want them. He has changed his mind. He sat in cabinet while the previous government spent \$121 942 158 buying land to build this project over the past eight years and suddenly it is the worst thing since the devil himself.

Mr T.R. Buswell interjected.

Mr J.M. FRANCIS: That is right. The point I am making is that for the Labor Party to walk in here and condemn the government for allegedly not doing enough about creating and saving jobs in Western Australia shows that it is doing one thing with its left hand and something totally different with its right hand. It is all about saving jobs, but for every opportunity that it has had in my area, the Labor Party has gone out of its way to try to discourage projects that will create real jobs for this state.

It would be remiss of me not to mention one last observation I have made since listening to the Leader of the Opposition on talkback radio. The Leader of the Opposition has been listening far too much to the Prime Minister, and has developed his own form of Ruddspeak. I have to read this out so that the Leader of the Opposition can come back and clarify what he was trying to say when he was being interviewed by Simon Beaumont on the issue of electricity. The Leader of the Opposition said —

Yeah, but what I said was, the reform would put downward pressure on prices. What we've got is upward pressure, overwhelming the downward pressure and creating ultimately after the two factors have interacted, a price increase.

Can anyone here tell me what that meant? I repeat —

Mr Eric Ripper; Mr Mark McGowan; Ms Alannah MacTiernan; Deputy Speaker; Mr Ben Wyatt; Mr Joe Francis; Mr Troy Buswell

Yeah, but what I said was, the reform would put downward pressure on prices. What we've got is upward pressure, overwhelming the downward pressure and creating ultimately after the two factors have interacted, a price increase.

It will be like Kevin Rudd's front bench—they will need dictionaries to work out what he is saying.

Mr C.J. Barnett: Can you repeat the incisive comment by the Leader of the Opposition?

Mr J.M. FRANCIS: It states —

Yeah, but what I said was, the reform would put downward pressure on prices. What we've got is upward pressure, overwhelming the downward pressure and creating ultimately after the two factors have interacted, a price increase.

Ms A.J.G. MacTiernan: You can't understand that? I can't believe you're that thick. It simply refers to two processes.

Mr J.M. FRANCIS: The credibility of the member for Armadale is zero. I do not even know why she is here. She is more interested in being a member of the House of Representatives than this Assembly.

Ms A.J.G. MacTiernan: It was only Don Randall saying that. Don Randall apparently wants me to run. He is apparently in the newspaper saying that.

Mr J.M. FRANCIS: Is the member for Armadale categorically ruling out contesting a federal seat?

Ms A.J.G. MacTiernan: I'm not ruling anything in or out for you.

Mr J.M. FRANCIS: She is not ruling it in or out; she does not know what she is doing. The member for Fremantle will come in and announce what he is about to do. We know what he is about to do.

In conclusion, I am overwhelmed at the hypocrisy of the Labor Party in coming in here and trying to condemn the government for the loss of jobs in this state, when we all know that, at every opportunity, it is doing everything in its power to stop job creation, because members opposite know that job losses in this state are like Ravensthorpe mark II for them: bad publicity is their good publicity.

MS A.J.G. MacTIERNAN (Armadale) [1.48 pm]: The comment by the member for Jandakot is appalling: he stated that we in opposition desire that people in this state lose their jobs, and he said that that is our fundamental motive in opposition. I understand that governments always have anger about oppositions and the way in which they have to fulfil their role. It is our job to critique the government's performance; that is the whole rationale for the way in which we structure our Parliaments. However, to go beyond that and claim that the opposition is acting in bad faith and fundamentally wants to see this state and this community go into a tailspin is a truly appalling proposition. Of course we will have debates about particular issues, but the member's claim that the opposition wants to see this state do badly—that we want to undermine this state—is a truly appalling statement. The member should be very ashamed. His comments say to me that he has not really come to terms with the nature of this Parliament. Of course we are going to have debates, but such an appalling allegation should be withdrawn. I think that his making it reflects badly on the member and on his potential to go further in this place. It says to me that there is a lack of integrity and a lack of fundamental insight about the way in which this Parliament and our system of government operate for the benefit of our community.

The global financial crisis has created an enormous challenge for any government. We do not deny that and we recognise that the government is trying to come to terms with it. We believe, as we have said before, that the Liberal Party made an unrealistic commitment in relation to royalties for regions. Despite any of the professional advice from Treasury, the Liberal Party made a commitment that is well beyond the budget's capacity to sustain. There is no point putting in place a scheme that is going to cause a massive backlash because it cannot be managed. We all understand the rationale behind royalties for regions and we understand the merits of the royalties for regions program. Even before this global economic crisis manifested itself, the government committed to an unrealistic budget. As a result, services across the whole state are going to be affected.

Dr K.D. Hames: We have seen the proposal your former leader put to the Nationals and you deliver this now! You committed to a program.

Ms A.J.G. MacTIERNAN: We did commit to a royalties for regions project. We committed to a \$1 billion project across four years. The Liberal Party committed to a \$2.8 billion project. When we committed to \$1 billion, it was understood, on the basis of the advice that we were given, that that was the very maximum that could in fact be sustained. That is the reason we set that benchmark. In my view, the Liberal Party went in without any real intention to honour the letter of what was agreed.

Mr T.R. Buswell: What rubbish! What a load of rubbish!

Mr Eric Ripper; Mr Mark McGowan; Ms Alannah MacTiernan; Deputy Speaker; Mr Ben Wyatt; Mr Joe Francis; Mr Troy Buswell

Ms A.J.G. MacTIERNAN: At the time the Liberal Party made that commitment, how else did the Treasurer think he could possibly manage the budget? That commitment was made even before we had this massive downturn in revenue and the impact of the global economic downturn now affecting all our revenue streams, not just our royalty streams, and certainly affecting negatively all our receipts.

The Liberal Party started with a very unsound proposition. It started with a fundamentally undeliverable budget; a situation that has continued to get worse as our receipts have become more compromised.

Today, the opposition wants to focus on the lack of real action and where we see specific problems —

Several members interjected.

The DEPUTY SPEAKER: Order, Treasurer! Members!

Ms A.J.G. MacTIERNAN: Members on the other side have nothing to submit; they are all out to lunch. We are coming up to question time and they are getting themselves fed and watered for question time!

Mr T.R. Buswell: Where was the Leader of the Opposition yesterday during question time?

Ms A.J.G. MacTIERNAN: Well, this is a very interesting point, is it not? It goes to honesty of representation and to, perhaps, what the Leader of the House or what the Deputy Premier might have told the Leader of the Opposition.

Dr K.D. Hames: I did inadvertently mislead him.

Ms A.J.G. MacTIERNAN: At least the Deputy Premier has the decency to acknowledge that. Hopefully, we will not be pursuing that line any further.

Mr R.F. Johnson: What did you say about me?

Ms A.J.G. MacTIERNAN: Nothing; I referred to the Deputy Premier.

The issue that we want to focus on today in our response is the government's failure to take real action in particular trouble spots. The Hopetoun project—that is the Ravensthorpe nickel project—obviously had been in trouble for some time. We believe, we understand and we presume that the company, BHP Billiton, was keeping the government well informed on the concerns surrounding the Ravensthorpe project. We understand that there are particular difficulties for Australian Stock Exchange-listed companies when it comes to making final statements in advance of advice provided to the ASX. However, there is no doubt that the government would have been getting enough signals over a period of months about a potentially substantial problem with this project. Yet when finally a decision was made and a formal announcement was forthcoming, all we saw was an absolute lack of planning. There was no plan! There was no ability to spring into action. Some five days later, we got a response that said, "Well, we're going to build a road up through a national park. We're going to spend \$60 million building a road through a national park because that might create" —

Mr C.J. Barnett: Five million dollars of immediate assistance!

Ms A.J.G. MacTIERNAN: Five million dollars of immediate assistance a couple of days later—I do acknowledge that. However, there was nothing in terms of a plan for the region; no recognition that at least 300 to 400 people who had bought homes down in that area simply were not going to be able to leave to seek jobs elsewhere—even if there were jobs elsewhere. There was no substantial plan. The idea that spending \$60 million on a road is a substantial boost to jobs in a particular region is really just fanciful. We know that even in areas like Margaret River jobs are highly seasonal. In areas such as these, with much less even climates, tourism jobs are going to be seasonal. Of course we have a problem in that we do not have a substantial purpose-built tourism product to offer. In our view, this road project goes to the very point that there has been no planning; that the government had advance warning and that it should now be looking to where the trouble spots will emerge and developing some creative responses. We have not seen any creative responses. Today we are seeing very much of the same thing with Harvey Beef. We have a Minister for Regional Development who is certainly very happy to go around dropping lollies across the community, but no plan for Harvey Beef; no substantial regional development project that will in fact create long-term jobs. In fact, a strategy that is going to guide the creation of jobs is what is lacking. Of course there are challenges. Of course this is not going to be easy. But we need the government to be in there really thinking broadly and deeply about how it is going to create these new employment opportunities. We do not need to squander the resources of the state on trivial projects but rather to focus on those things that will provide jobs for the future. There is nothing in the government's program that will deliver jobs for the twenty-first century. There is nothing in its program that shows a commitment to create those green jobs that we are going to need to survive a carbon-constrained world.

Mr C.J. Barnett: Oh, so it is "green" jobs now!

Mr Eric Ripper; Mr Mark McGowan; Ms Alannah MacTiernan; Deputy Speaker; Mr Ben Wyatt; Mr Joe Francis; Mr Troy Buswell

Ms A.J.G. MacTIERNAN: Yes, it is green jobs now. I think that comment is really interesting and that it shows us that the Premier is heavily grounded back in the 1990s. He thinks the idea of green jobs is fanciful. He does not accept that we are going to have carbon pricing coming in internationally. He is not going to be able to have the same vision that he had in the 1990s. I commend the amendment to the house.

MR T.R. BUSWELL (Vasse — Treasurer) [1.59 pm]: I thank the member for Armadale for her interesting contribution to this debate, which will no doubt continue after question time. I want to make some comments on the claim made by the member for Rockingham—Mr “Nine Votes” —

Several members interjected.

Mr T.R. BUSWELL: I do not know; perhaps it is the friends one picks up as one transitions from “Mad Dog” McGowan to “Sneakers”.

Several members interjected.

Debate interrupted, pursuant to standing orders.

[Continued on page 1647.]