

Hon Rick Mazza; Hon James Chown; Hon Robin Chapple; Hon Dr Steve Thomas; Hon Aaron Stonehouse; Hon Diane Evers; Hon Sue Ellery; Hon Peter Collier; Hon Alannah MacTiernan; Hon Martin Aldridge; Hon Simon O'Brien; Hon Robin Scott

ROAD TRAFFIC (VEHICLES) AMENDMENT REGULATIONS (NO. 2) 2017 — DISALLOWANCE

Motion

HON RICK MAZZA (Agricultural) [2.10 pm] — by leave: I move my amended motion —

That regulation 4(b) of the Road Traffic (Vehicles) Amendment Regulations (No. 2) 2017 published in the *Government Gazette* on 7 February 2017 and tabled in the Legislative Council on 17 May 2017 under the Road Traffic (Vehicles) Act 2012, be and is hereby disallowed.

By way of explanation, the amendment to the motion is to insert after “That”, the words “regulation 4(b) of” and to make a consequential grammatical amendment by deleting “are” on the last line and insert instead “is”.

The effect of the proposed amendment is to convert what is currently a motion to disallow the whole of the amendment regulations to a motion that seeks to disallow only one part of the regulations. The part of the amendment regulations sought to be disallowed is regulation 4(b), which removes the exemption from vehicle licensing charges granted to local government.

The Road Traffic (Vehicles) Amendment Regulations (No. 2) 2017 seek to remove existing concessions for vehicle licensing fees for local government authorities, specifically concession code 511. This was to be introduced as a new revenue measure in the 2016 budget, and is to be found on page 76 of budget paper No 3 in the 2016–17 *Economic and Fiscal Outlook*. Other concessions are being removed for the Australian Defence Force and other commonwealth agency vehicles. I have no objection to that, hence the reason that I moved the amendment to the motion so that the disallowance applies only to local government. This would amount to \$5.9 million a year, totalling to \$17.6 million over three years in the forward estimates. That figure is now \$5.6 million, because information that has come to hand is that the commonwealth vehicles would probably be worth around \$300 000 per annum. As explained in the budget paper, this money will be allocated to Main Roads Western Australia and an equivalent amount will be deducted from the service appropriation to Main Roads. The last line at the bottom of page 76 of the budget paper states —

As this funding is hypothecated to Main Roads under the *Road Traffic (Administration) Act 2008*, it will be offset by an equivalent reduction in the service appropriation to Main Roads.

My understanding is that this measure will be revenue-neutral for Main Roads. It is proposed that Main Roads would pick up the licence fees and its service appropriation would be reduced; it is basically a revenue-neutral measure for Main Roads. That surprised me a little because when I read a leaflet titled, “Frequently asked questions” put out by the Department of Transport, part of that information sheet states —

One of the main purposes of imposing licence charges is to support the real costs of maintaining the road network.

Local governments in the country areas pretty much do that. The bottom of the information sheet states —

The money collected from vehicle registrations is directly allocated to road network and infrastructure projects from which the whole community benefits.

That is contradictory because the budget papers state that it will be revenue-neutral for Main Roads but the Department of Transport information sheet states that the money will be used for roads. I am not quite clear on that. It seems to me to be something of a cost-shifting exercise. It would be wrong to collect vehicle licence fees from local government if they were not to be used for transport-related activities.

It might interest members to know that local government authorities were notified of the removal of this concession by mail in a letter dated 30 December last year. This was obviously right in the middle of the festive season when the government was in caretaker mode and everybody was focusing on the election. Many shire councillors—especially in the country, where there is a preponderance of councillors who are farmers—would have been away during that time on their annual holiday. It did not give them much chance to fully consider the situation. I see this as a bit of a sneaky tax grab. The government will remove the concessions and local government will have to pay the motor vehicle registration costs. That revenue will then go to Main Roads and Main Roads will receive less for its service appropriations to provide more money for the government’s budget. This, of course, puts a further burden on local government authorities, which, in themselves, have some budget challenges. Local government budgets are always challenged, so it is difficult for them to have to then wear these extra costs.

I received a letter from the president of the Western Australian Local Government Association, Lynne Craigie, a couple of weeks ago. I do not know whether members also received a copy of this letter, but under item 6 the letter states —

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Until 1969 motor vehicle licence fees were collected by Local Governments —

It was a job that they did at that time —

in rural areas and shared with Main Roads in order to maintain the road network. Consequently Local Government owned vehicles were exempted. An agreement between State and Local Governments allowed these fees to be collected by the State, and therefore attract matching Commonwealth funding. The agreement provided for grants to Local Governments to offset the lost revenue.

Local governments played a fairly big part in collecting those licence fees. Some of the older members here might even remember back in the days when local government employed traffic police. I am sure that Hon Jim Chown and Hon Ken Baston would remember that. Some of those traffic police were characters, to put it politely. That responsibility changed to the Road Traffic Authority in about the 1970s and the state government took over the policing of roads.

If these regulations are not disallowed, country shires will shoulder a disproportionate burden. Unlike the metropolitan local shires, which are not impacted as much, country shires need to maintain a fleet of road-building equipment. They need graders, trucks, water carts and compactors et cetera. They have to build and maintain thousands and thousands of kilometres of roads. They have quite a fleet. Those costs are borne by the local government and to now take away their concessions will put a further burden on them. Local governments have to maintain things such as the restricted access vehicle network—the RAV—so that farmers can move trucks and heavy vehicles around the state. Of course, most of those heavy vehicle movements are on country roads.

By removing these concessions for local governments, particularly in the country—many of them have a very small ratepayer base—shires, such as the Shire of Corrigin, will have an additional cost of around \$89 672, and its rates will need to increase by four per cent on a population base of only 1 099 people. The Shire of West Arthur estimates a total additional cost of \$70 069, and a rate increase of 4.5 per cent on a population base of only 887 people. The Shire of Cuballing estimated a total additional rate increase of 2.4 per cent on a population base of 878 people, the Shire of Coorow estimated a total additional cost of \$35 904 with a rate increase of 2.79 per cent on a population base of 1 085 people and the Shire of Brookton estimates a total additional cost of \$65 500 and a rate increase of 3.4 per cent on a population base of 992 people. The Shire of Lake Grace estimated an additional total cost of \$73 000 and a rate increase of 2.6 per cent on a population base of 1 370 and the Shire of Westonia estimated an additional total cost of \$41 500 and a rate increase of 4.9 per cent on a population base of 277 people. Members can see that country shires will be under a lot of pressure to pay this additional fee. Rate rises of up to nearly five per cent will be fairly hard on people in those shires.

Today, I got an email from Bruce Wittber about the Shire of Bruce Rock. It is estimated that for a 15-tonne six-wheeler truck, the old licensing fee was \$358.40 and if this disallowance motion is unsuccessful, it will rise to \$7 503. Also, to buy a new grader, which is valued at \$379 000, the shire will have to pay \$11 370 in stamp duty. Members can see that there will be big imposts on rural local governments, but metropolitan councils will not be immune either. Some of their costs are quite high—up to \$175 000 a year—but, fortunately, they have a much broader rate base so their rate increase percentages come down to 0.2 per cent. It is still an impost on those shires. The burden of increasing rates in country shires will particularly affect a very vulnerable part of the community in country Western Australia. These people already have the challenge of finding job prospects out in the country and increased health costs if they have to travel long distances for health reasons. I do not think putting extra shire rates onto these people is the right thing to do.

In the media, the Shire of Beverley estimated a total additional cost of around \$38 600 and the City of Albany estimated the increase would be \$200 000. These are substantial amounts of money. The Shire of West Arthur stated that it would currently change its graders about every 8 000 hours. The Shire of Moora would change its commercial vehicles about every three to four years. If these concessions are not retained, the shires might have longer periods with older machinery that they have to use to maintain roads. The road structure and network in country WA will more than likely suffer.

These are substantial amounts for the third tier of government. Scrapping the concession on motor vehicle licence fees will bring in around \$5.9 million for the government, which sounds like a lot, and I understand that the government has challenges and budgetary pressures, but I think this is the wrong area to put them into. It is certainly not worth the burden it will impose on shire councils.

In conclusion, I urge my fellow members to support their local government authorities, wherever they may be, and disallow these regulations. I note that if this disallowance motion does not pass before 30 June, local government authorities will have to pay the new fees from 1 July so it is important that we try to pass this disallowance motion today. That is why I moved the motion last week to bring it forward. I commend the motion to the house.

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HON JIM CHOWN (Agricultural) [2.23 pm]: I rise to support the disallowance motion as presented by Hon Rick Mazza. The opposition supports the motion as read in by Hon Rick Mazza. As a bit of background on this regulation, its genesis was in the previous government, of which I was a proud member, and it came in as a late notification, as stated by Hon Rick Mazza. I was certainly one of the regional members who made a fair bit of noise about what was taking place and wanted it amended during the quite lengthy election campaign. In fact, I spoke to the Minister for Transport and also the Minister for Local Government, who, at the time, was Hon Paul Miles. He emailed me a press release on this matter that stated an exemption would be made for heavy vehicles. That would have been put in place had we won government and I would be seeking, as a member of that government, an exemption along the lines presented to this house by Hon Rick Mazza. After further analysis of exemptions for light vehicles, if members look, they will find that the majority of light vehicles—as opposed to heavy vehicles, which I believe should already have exemptions—in metro and regional shires include very few motor cars. Most light vehicles consist of vans, trailers, community buses et cetera. For example, Albany has 197 light vehicles that it currently receives a concession for. Of those 197 light vehicles, 162 are utility trucks, which are used for work; trailers, which are put behind utilities for roadworks; and buses and small rubbish trucks. Armadale, which is a metro shire, has 165 light vehicles. That figure breaks down to 105 utes et cetera and only 60 sedans, station wagons and coupes. Joondalup, which is a very large shire in the metropolitan area, has 221 light vehicles; it currently receives a concession until the end of the financial year. It has 191 utes, trailers, buses et cetera and only 30 sedans and station wagons.

I am more than happy to support this disallowance motion, which the house will hopefully support. Regarding regional matters, as I have stated here before and I am sure the Minister for Agriculture and Food is fully aware, we are looking at one of the most disastrous seasons Western Australia has had. To burden ratepayers out there with an increase of three to five per cent is beyond the pale, especially in light of the current government's increases of 10 per cent for power prices and service charges et cetera, while we are yet to see a budget come down.

Hon Simon O'Brien: That's a 100 per cent increase.

Hon JIM CHOWN: It is a 100 per cent increase for the connection charge, I agree. We have yet to see a budget come down but I assume that there will be even further increases across the board. Regional Western Australia, quite frankly, cannot afford it. If the removal of these concessions were to go through, there would be another four per cent increase for ratepayers across the board in regional Western Australia, if not in the metro area. I am more than happy to support the disallowance motion and I think a couple of other members of the Liberal opposition will also say a few words.

HON ROBIN CHAPPLE (Mining and Pastoral) [2.27 pm]: The Greens have had a clear look at this disallowance motion. The former Liberal–National government decided, in the 2016 budget, to discontinue the motor vehicle licensing concessions granted to local government authorities, the commonwealth and the Western Australian Local Government Association, effective from 1 July 2017. It was done because the former government was in a very cash-strapped position. I will keep my comments fairly succinct because it is the form and practice of this house not to extend debate on disallowance motions.

Along with local governments and others, I had a look at the impacts. The expected impact on rates for the revenue of metro councils is about 0.5 to one per cent. For regional shires and councils, the expected impact on rates will be around four to eight per cent. For pastoral shires and councils, the impact on rates and revenue will range from eight to 12 per cent. Cost shifting the responsibility of state government onto local government and ratepayers is not the way I believe we should deal with the third tier of government. It has its own set of responsibilities. If we had budget deficits and problems like that, the former government needed to address them rather than go down this draconian path. Having said that, we are aware of many options—I do not want to canvass them now; it is a debate for another time—to reduce the impact of the incredible debt and deficit we have in this state. I am rather alarmed that there has been some implication that if this disallowance motion passes, the government will look at other options of passing on —

Hon Sue Ellery: We have to.

Hon ROBIN CHAPPLE: The government does not necessarily have to do it to local government ratepayers because the former government—not this government—sought to make a cash grab in this area.

Having said that, the issue then becomes that if we look at changing the road grants systems to reallocate the funding shortfall that would arise from this disallowance and it is done through the allocation of offsets to metropolitan, wheatbelt, midwest and Gascoyne shires, then local governments will need the capacity to direct the savings restored from motor vehicle licensing and stamp duty exceptions towards their road budgets. That was the proposition that was put to us and I think that is, in essence, blackmail. That proposal that was put to us was really

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the crux of why we will support this disallowance motion. Having made my contribution, hopefully we can move on with this debate and get on with the real business of the house.

HON Dr STEVE THOMAS (South West) [2.31 pm]: I support the motion as well. I thank Hon Robin Chapple for his contribution, which I thought was a very intelligent contribution to this debate. I make the point that this is a cost-shifting exercise. If local governments strike another impost and another set of cost shifting, there will be either rate increases or, most likely, a reduction of services. I am very pleased that the Greens have seen fit to support this motion. I listened to the Greens' speeches on the Loan Bill 2017. Many of them were looking for increased expenditure in social support. In regional areas, some of that social support comes significantly out of local government budgets. How many wheatbelt shires, for example, provide medical practitioners with subsidies and housing to provide medical services to their towns? In many cases those services are being provided in regional areas by local governments. It is not just small local governments out in the wheatbelt; larger and more robust local governments throughout the south west are also providing social support across the board for a large number of their constituents. Any form of cost shifting that impacts on their capacity to support their communities should not be acceptable to this chamber. We need to support this motion and I ask all members to support it to prevent the cost-shifting exercise that has occurred from governments on both sides of politics for far too long. It is easy for us to say, "Let's charge the Feds because we don't like them very much", but under our Constitution we are supposed to look after local governments. They are part of us and it is our Constitution that enables their presence. I think that they sometimes extend beyond their role and provide services that they feel at a local level are essential to their community. In my view, sometimes those roles are not necessarily the purview of local government. But if members believe in the provision of those social services to all people across Western Australia, irrespective of the size of the town in which they live, they have no choice but to support Hon Rick Mazza's disallowance motion. I thank him for presenting it today.

HON AARON STONEHOUSE (South Metropolitan) [2.33 pm]: I would like to speak for a moment of the importance of local government that has been alluded to. I will take a slightly different angle from that of my colleagues. In my inaugural speech I quoted Thomas Paine, who said, "Government, even in its best state, is but a necessary evil; in its worst state, an intolerable one." I agree with Paine. All government is a necessary form of evil, so, given that we need it, let us make it as close to the people as possible. One thing that I am quite fond of is making references to *The Simpsons*. Members can ask the Premier about that. If members will indulge me, I would like to make one more. In a 1995 episode of *The Simpsons*, Bart taunts an Australian sheep farmer by suggesting that a dingo is eating his baby. The visibly angry sheep farmer says, "That's it! I'm going to report this to my member of Parliament!" He yells out the window to a pig farmer next door, "Oi, Gus, I've got something to report to you." The pig farmer is the member of Parliament. The sheep farmer and the member of Parliament have a conversation and the MP says, "That's a bloody outrage, that is! I'm going to take this all the way to the Prime Minister". They both run up a hill and yell to a half-naked man who is relaxing on a rubber tyre in a billabong. "Hey, Mr Prime Minister—Andy!" The half-naked man is the Prime Minister. Although this might be a funny scene, I see it as a perfect example of how government should function. The sheep farmer has a problem and he talks to someone in his community who has the means to represent him, and they both talk to someone who has the means to fix the problem. It is an example of a local solution to a local problem. That is partly why I have come to the conclusion that local government is one of the most important levels of government in Australia. After all, nobody knows better how to fix a problem than the people who live in that community.

My support for local government stems from the principle known as subsidiarity, which states that decisions should be made at the most local level possible. The idea is that all power should initially be vested in the hands of the most local level of government and it should move outward only when that level of government is unable to carry out a particular function. Alex de Tocqueville spoke in favour of this principle when he stated that decentralisation has not only an administrative value, but also a civic dimension, since it increases the opportunities for citizens to take interest in public affairs. In spite of this, the Western Australian Labor government is applying yet another tax by stealth on local government through the Road Traffic (Vehicles) Amendment Regulations (No.2) 2017.

Several members interjected.

Hon AARON STONEHOUSE: Yes, it did. I stand corrected.

This regulation as it stands will remove the concessions that local councils currently enjoy when paying for vehicle registration. The Minister for Transport has spoken about how this is expected to raise \$5.9 million for the state coffers throughout the year. However, as anyone who has ever worked in the private sector knows, when an additional cost is imposed on a business, that cost is inevitably passed on to consumers, which, in this case, is the ratepayer. It comes as no surprise to me that Lynne Craigie, the president of the Western Australian Local Government Association, has said —

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If money has to be used to pay registration in the budget, councils will either have to put up rates or cut back services.

Alan Leeson, the chief executive of the Shire of Moora has echoed a similar sentiment. He said —

This will result in local government having to either reduce the services and facilities it provides or increases its rates.

The WA Local Government Association has told us that this measure will increase council rates by 2.5 per cent this year alone, and it is not hard to figure out why. This measure will mean that local councils will pay an extra \$4 800 for registration of a prime mover, \$1 000 for a rubbish truck and between \$400 and \$500 for a ranger vehicle. So there we have it. The state government is in a budgetary and fiscal mess, but rather than tightening its own belt and cutting spending in its own departments, it is looking to transfer the cost onto local governments—to jump the fence and steal anything that is not nailed down, so to speak. Ratepayers suffer enough through land taxes and prospective homebuyers suffer through stamp duty. When Hon Rick Mazza told me about his disallowance motion, he did not need to convince me to support it. I have laid out quite clearly my belief in small government and low taxes. It is clear that this change in regulation is a tax by stealth and therefore I support this disallowance motion.

HON DIANE EVERS (South West) [2.38 pm]: I have only a few brief things to say; it is almost a recap. We have to accept that this was a bad idea from the start. It is clearly a line item that was tossed into the budget to try to raise a few more funds to cope with a very poor looking budget last year. The smart thing to do would be to agree to this disallowance and start from scratch. If the government needs to look at it again, it should do some research and put some thought into it and talk to local governments. The government should recognise that regional governments are under a lot of pressure. They are expected to deliver a lot of services that do not get delivered in their areas. The government should not put more pressure on the ratepayers there. Local governments are already running very lean budgets. The majority of the costs for local governments are for heavy vehicles and equipment for maintaining and building roads. This will put undue pressure on local governments. If the government wants to put this type of item in the budget in the future, it should look at providing an exemption for heavy vehicles, or at providing some other funding to enable small local governments in regional areas to maintain and build roads. Please do not put added pressure on local governments by trying to squeeze a bit more out of regional areas. This was a bad idea from the start and was very poorly thought out. Therefore, the Greens will be supporting this disallowance motion, and let us move on from here.

HON SUE ELLERY (South Metropolitan — Leader of the House) [2.39 pm]: It is an extraordinary state of affairs that we have come to this point. The hypocrisy of members of the opposition knows no bounds. This was the former government's budget measure. The former government spent eight and a half years wrecking the finances of the state. Members of the opposition cannot help themselves. After the worst election result for a conservative party in this state in years, they are now reaching across the chamber and want to continue to wreck the budget. This is hypocrisy gone mad. They were financial wreckers in government. They have clearly learnt no lessons from the election, which widely condemned the former government for its financial mismanagement. They are continuing to demonstrate to the Western Australian public how bad they are at managing the budget.

If Liberal and National Party members vote in favour of this disallowance motion and the motion is successful, \$10 million per annum will be taken out of the budget of this state. I will spell out in a moment how it adds up to that amount. The former government took to the election the *Pre-election Financial Projections Statement*. It also took to the election budget paper No 3, which was published in May last year. Every person who went to the election with a set of costings relied on those budget papers. We will now have to find that \$10 million per annum from somewhere else.

Several members interjected.

The PRESIDENT: Order! Every other speech was heard in silence. I am finding it difficult to hear the Leader of the House, so I would ask that members listen to the speech in silence.

Hon SUE ELLERY: Thank you, Madam President. Members of the opposition are backing away from and retracting the savings that they put in their own budget papers. I had expected that opposition members who were at the cabinet table when the last budget was put together would defend the position that they are taking today. I am surprised they have not done that.

Hon Peter Collier: The debate has not finished yet.

Hon SUE ELLERY: I look forward to hearing members opposite defend their hypocrisy on this issue.

The \$10 million per annum across the forward estimates is made up of forgone licence fee revenue of approximately \$5.9 million per annum, and forgone stamp duty, as a consequence of the stamp duty exemption to local governments, of approximately \$4.2 million per annum, depending on a range of factors that need to be taken

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into account when we include vehicle purchase prices. It is also made up of increased administrative costs for the Department of Transport of approximately \$41 000 per annum. If those savings are taken out of the budget, they will need to be found somewhere else. The Western Australian Local Government Association was advised on Friday that the government will need to look at other ways of finding this \$10 million per annum in order to put the budget—which the opposition wrecked—on a more sustainable footing. This disallowance will not result in savings for local governments.

I have looked at which members of the former government have commented on this issue. I will give credit where credit is due. I did not see any media statements or any comments in this place or in the estimates process from any member of the then government. I did see media comment from Hon Rick Mazza in December, in which he took umbrage at this measure that was introduced by the former government and said he would do whatever he could to try to save local governments some money. I did not hear Hon Jim Chown question this during budget estimates.

Several members interjected.

Hon SUE ELLERY: This measure was published in budget paper No 3. Hon Jim Chown could have questioned it at the time if he found it so offensive, but I note that he did not do that.

How did we get to this point? Before I talk about the detail of this disallowance motion, I want to talk about how this debate got to be listed as an order of the day today, because that is important. Conventions apply to who manages the business of this house. The convention in this place is that regardless of whether the government has the numbers, when it comes to orders of the day, the government manages the business of the house. I say also, for the benefit of new members, that the convention of this house is that we follow the Westminster tradition. Under the Westminster system, government business time is managed by the government of the day. That tradition is the practice and procedure of the United Kingdom Parliament as set out in the text on which all members of Parliament rely, Erskine May's *Parliamentary Practice*. Erskine May states in part —

In principle the control of the distribution of time rests with the House itself. In practice the House by standing orders delegated this control, with some exceptions for opposition and private Members' business, and other minor reservations, to the Government. This control is the result of a process which has continued for more than a century whereby an increasing proportion of the time of each Session has been appointed to the Government.

Our standing orders in this place reflect that. The principle that the government controls the business of the house has been for the most part respected by members of this house, even in periods in which the government of the day did not have majority support in the Legislative Council.

I asked for some advice on how many times control has been taken out of the hands of the government in respect of a motion such as the one we are debating today. I am advised that during the modern-day period since proportional representation when the government of the day has not controlled this house—that is, going back to 1997—the standing order that got us to this point today has rarely been used. Eight occasions have been identified on which this standing order has been used in this period. Only three of those occasions concerned orders of the day, which are usually the preserve of government control; one was a private member's bill; and the other two were for the establishment of a committee. The five other occasions were to bring on a motion during the time specified in standing orders for notices of motion to be moved and debated. However, this, of course, has no flow-on effect on government business time.

Disallowance motions are orders of the day, and they are dealt with during government time. Therefore, although standing orders give precedence to disallowance motions each sitting day, the practice of the house has been to deal with those orders of the day only on the seventeenth sitting day after the notice of motion to disallow has been automatically moved under standing orders and becomes an order of the day under government control.

The government has the Loan Bill, which we need to get through by the end of this week. We are also getting on with our legislative agenda. We have the Supply Bill to deal with. We have the Misuse of Drugs (Methylamphetamine Offences) Bill, which we can deal with on Thursday. We also have the Constitution Amendment (Demise of the Crown) Bill to deal with. Instead, today we are debating a disallowance motion that should have been properly dealt with by this house in the normal way that we deal with disallowance motions, but now we are not. As a consequence of what I think was extraordinary and, frankly, pretty poor communication by a number of members, I took the extraordinary step last week of cancelling the informal pair arrangement for the purposes of that vote. That is not something that I did lightly; it is not something that I would want to do again. However, I did that because I think that the steps that got us to this point do not reflect well on most members who want to support the substance of the disallowance motion before us today. I just wanted to make those points about how we got here.

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I want to go back to the substance of the disallowance matter before us. The former government did a review, and that resulted, in its 2016 budget, in budget paper No. 3, in a process to discontinue the motor vehicle licensing concessions granted to local government authorities and the Western Australian Local Government Association, effective from 1 July 2017. Honourable members have made the point that that was not communicated formally to local governments until December. However, WALGA is well across the budget papers and it would have known and could have seen, as could anybody who makes it their business to understand the state's budget—WALGA makes it its businesses to understand the state's budget—that that was published in May. It staggers me that in one sense, the former state government took so long to actually put the regulation into effect, but it does not stagger me in another sense, because by that point it was completely incompetent, was desperately trying to save itself and was not paying attention to conducting itself as a good government. As a result of the former government's decision, local governments would no longer be exempted from stamp duty for motor vehicle purchases, which, if we look at past purchase patterns, was budgeted to generate about \$4.2 million per annum. In addition, it has cost some \$400 000 so far to implement those changes. Ongoing administrative savings of about \$41 000 a year were also budgeted for.

If this disallowance motion is successful today, it will result in a loss of budget revenue. I understand that crossbenchers and the Greens who were offered and took briefings last week were provided with this additional information by email, I think, today or yesterday—I do not know the exact date. The loss of budget revenue is as follows: \$5.6 million per annum related directly to the motor vehicle licence exemption to local government authorities; \$4.2 million per annum related to the stamp duty exemption to local government authorities; and, about \$500 000 related to the one-off implementation costs, which will now be effectively thrown away if this disallowance motion is successful and the charges are reversed. That will result in more than a \$10 million per annum reversal in budget repair implemented by the former government, yet its members come in here and say, "No, we got it wrong; we're not going to do that anymore. You just fix that hole in the budget." Yet again we have to fix another black hole in the former government's budget process because it was the state's worst financial wrecker. It has meant that the Minister for Transport has had to foreshadow to the sector, which she did on Friday, that as a direct consequence, direct grants, for example, from the state for local roads could be reduced—will probably, most likely, have to be reduced—in coming years by the equivalent amount to offset revenue forgone as a result of the restoration of those benefits.

Local governments will have the capacity, if they so choose—it is their decision—to direct those savings from the exemptions towards their road funding budgets. Based on 2016–17 funding levels, the effect of that \$10.3 million offset—it drops down to about \$9.8 million in later years—would result in the following. In 2016, direct grants to local roads stood at about \$24.3 million. If this disallowance is successful, in the first year that amount will drop down by \$14 million—that is, after the \$10.3 million offset is applied. In later years, it will be about \$14.5 million, because it will be cut by slightly less than the \$9.8 million offset, and other grants will remain about the same.

When we look at how that would be applied—that is, the proportional split of direct grants between the regions in 2016–17—that \$10.3 million offset would be allocated between the regions in the following ways: the metropolitan area would take the biggest hit; it would take 26.1 per cent of that offset and, as a result, lose about \$2.6 million. The wheatbelt would lose \$2.5 million, which is pretty close to the loss for the metropolitan area, with 24.9 per cent of the offset. The midwest Gascoyne would lose \$1.3 million, about 12.8 per cent; the south west would lose \$1.2 million, about 11.9 per cent; the goldfields–Esperance area would lose just under \$1 million, or \$800 000-odd, which is about 8.6 per cent; the great southern would lose, again, about \$849 000, about 8.2 per cent; the Pilbara would lose about \$448 000, or 4.4 per cent; and the Kimberley would lose around \$334 000, or about 3.3 per cent. That is how it will fall across the local government sector. If this were the former government's grand plan to save money for local government, it would not have achieved that. It could not be achieved. The former government created a black hole that has to be fixed in some way.

The government is doing the budget now. It is looking line by line at every piece of expenditure it can to try to fix the mess that the previous government has left. Yet out of the grave of the worst electoral results the Liberal Party has had in this state in decades, it reaches across to try to continue to wreck the state's finances. The effect of this disallowance motion will not save local government any money. The revenue has to come from somewhere; yet again we are left with no choice but to clean up the mess created by the former government.

It is one thing for new members in this house, for crossbenchers and for Greens members to vote to support this disallowance, but it is nothing short of disgraceful for the people who put us in this situation to do so. They continue to wreck the finances of this state and they will be judged accordingly. We will not support this disallowance motion.

HON PETER COLLIER (North Metropolitan — Leader of the Opposition) [2.57 pm]: I did not intend to speak on this disallowance motion because we had nominated a lead speaker, but after that self-righteous nonsense

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from the Leader of the House, I have to respond. She has to be joking to expect us to sit here and take that tripe—not in a million years!

Several members interjected.

Hon PETER COLLIER: I will attempt not to emulate the Leader of the House and shout at members opposite, so I would appreciate that there be no interjections. We are not in a school, even though members opposite keep reminding me that I sound like a teacher. We will not be lectured to, but, hopefully, we will listen to the debate. It has already been acknowledged that we will support this disallowance motion. The issue of concern with this disallowance motion is that the regulation will have an impact particularly on small shires. In my job now as a member of the opposition, I point out that members of the government are always given information about disallowance motions. We have been inundated with complaints not only from WALGA, but also from small local governments across the state about the impact and the unintended consequences that this regulation will have, particularly on small shires. That is why we have had to readdress this situation. For the Minister for Regional Development to sit there and to suggest that we flippantly tick off on these regulations shows a total lack of understanding of being a minister of the Crown.

Several members interjected.

The PRESIDENT: Order!

Hon PETER COLLIER: To suggest for one minute that we flippantly pass them off is arrogance in the extreme. We will do nothing of the kind.

Hon Alanna Clohesy: You're the one who's arrogant.

Hon PETER COLLIER: For goodness sake, can I say to members opposite that right at the end of the term of government last year, I stepped in and made sure that some energy regulations did not face this chamber. If members opposite were on this side of the chamber, they would be supporting this disallowance motion because the regulations will have implications for small shires in particular.

Hon Sue Ellery: Which you knew at the time.

Hon PETER COLLIER: As I said, I sat in silence.

Without any shadow of a doubt, we will support the disallowance motion because it has those implications, particularly for small shires. I found a couple of things galling. Firstly, when we were in government, we had issues with growing debt levels for a whole host of reasons. Whenever we got to the point at which we tried to do some corrective measures with the budget, we were criticised resoundingly. We were constantly criticised for having this major debt. Whenever we tried to do some minuscule things, such as providing some extra Tim Tams for the tea ladies at the education department, we were criticised.

Hon Alannah MacTiernan interjected.

Hon PETER COLLIER: The member sounds like a wounded crow. Would she just be quiet, please.

Hon Alannah MacTiernan interjected.

The PRESIDENT: Order! Stop. Just stop.

Hon PETER COLLIER: We are all aware of how important Hon Alannah MacTiernan is and how she singlehandedly won government for the Labor Party. In the meantime, she built the pyramids and the Great Wall of China and she has a cure for cancer coming!

The PRESIDENT: Leader of the Opposition, I might draw you back to perhaps focusing on the matter at hand rather than your descriptive terms of other members in this chamber. Perhaps you could focus on the motion, please.

Hon PETER COLLIER: I will focus on the motion, Madam President, and I thank you for your advice. We were criticised resoundingly for spending money. Whenever we tried to save money, members opposite would stand in this place and talk ad infinitum for hours upon hours and criticise us. In this instance the hypocrisy has no bounds. I turn to the conventions of the house. Members have to be joking. Is that a red rag to a bull? As I said, and Hon Sue Ellery has already identified, the convention with the order of business is certainly not a first. Yes, of course, the convention is that the government controls the order of business. On several occasions that convention has not been adhered to. Hon Rick Mazza did the right thing. He approached Hon Sue Ellery and asked a legitimate question. He asked whether he could bring the motion to the top of the notice paper for a very real and valid reason, and that was that we are rising in three days—I hope—and then, of course, we would not have sat again until after the regulations came into effect. It is eminently sensible to deal with the issue right now. He did exactly the right thing. He tried to ensure that the conventions were adhered to. The government decided not to accept that advice.

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Having said that, for the members opposite to even countenance the notion of abolishing conventions again is beneath contempt. I brought this up on a number of occasions. The conventions of this house and the government of the day provide the precedent, yet members opposite spent the first two months trying to get someone on this side to be the President.

Several members interjected.

Hon PETER COLLIER: If you throw dirt, you are going to dig a hole for yourself. The Leader of the Government has done exactly that here. If she is going to bring up the conventions of the house —

Several members interjected.

Hon PETER COLLIER: That is exactly what happened. In this convention business, it is all well and good to adhere to conventions when it suits the government. It is all good and well to be the upholders of all that is right and righteous in the conventions of the parliamentary process. Quite frankly, it reeks of hypocrisy when the government says that it will accept that convention, but not that one, that one or that one. It will accept the conventions only when it suits it. Not only that, the government wanted to cancel the convention of pairs. That was an absolute pearler when our Whip came along and told us a minute before midnight that we were cancelling pairs. I remind the honourable member that the opposition provides pairs and if that is the convention that we are going to abolish, we are going to refuse with flippant disregard, so be it. But let us make it quite clear we did not make —

Hon Sue Ellery interjected.

Hon PETER COLLIER: Madam President, with all due respect.

The PRESIDENT: Order!

Hon PETER COLLIER: With all due respect, as I said, if the government wants to break that convention, so be it.

Hon Sue Ellery interjected.

The PRESIDENT: Order, Leader of the House!

Hon PETER COLLIER: You don't spit the dummy when you don't get your own way. That is exactly what is happening.

Several members interjected.

The PRESIDENT: Order! There will be no further interjections. The Leader of the Opposition will come back and focus on the motion on the books.

Hon PETER COLLIER: I am responding to some comments made by the Leader of the Government. With that notion of cancelling pairs, precedence has now been set. We will remember that. With regard to the convention of the presidency, the proposal was that someone on this side take the presidency to ensure that the members opposite had a majority on the floor of the house—well, a pseudo-majority on the floor of the house. That is without foundation.

Several members interjected.

The PRESIDENT: All right. Continue your remarks.

Hon PETER COLLIER: Regarding this motion about the legislative agenda, give me a break! After two months, we are sitting here with two bills that we can deal with. We are dealing with the Loan Bill 2017 and the Supply Bill will come in. We have spent well over a week on the Loan Bill. I assure members opposite that we are not going to abuse this chamber by keeping everyone here for 24 hours like members opposite did on two occasions. No, if members are going to say that sort of stuff, they will get it back with interest. I am not prepared to sit here as Leader of the Opposition and accept that nonsense from members opposite. As I have said, a number of conventions have been broken already by government members. In particular, the one that concerned me and is of interest is the notion that we are going to abuse the conventions of pairs when it suits us, and I will not forget that.

Having said that, we did not take this lightly and we have looked forensically at these regulations. We have seen the impact that they will have on small shires in particular and that is why we have made the very considered decision to support the disallowance.

HON ALANNAH MacTIERNAN (North Metropolitan — Minister for Regional Development) [3.08 pm]: I had thought that after the absolute profound loss that the other side endured at the last election, it might have got the

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message that wrecking the budget deeply concerned this community. Over the next two years our net debt will reach \$41 billion and we now have a net-debt-to-revenue ratio of 82 per cent. This is banana republic stuff.

I understand the arguments that have been mounted today and we have to say that all things being equal, this is not something that we want to do. But we are in an immensely difficult fiscal situation and member after member gets up and asks whether we are going to fund this or that and says that they had things in the budget. Members get upset when we say we do not know whether we can, yet the opposition when it was in government introduced this measure. I note that the National Party members cannot escape this. They had people with a seat at that table. Notwithstanding those vicious blue on green wars, they had a seat at the table. I know the Leader of the Opposition gets very upset with me; apparently I offended him because I presumed at one stage that he had something to do with his portfolio and he might have had an impact on the Premier, but I accept that he did not. But what he has said today is really interesting. He said that the Minister for Local Government had no idea what he was doing either. What he has told us is why the opposition has changed its position—why in May last year the previous government passed a budget that contained this particular measure and why it went to the election. As the honourable Leader of the House has said, the opposition went to the election with this as part of its fiscal package, but it did not actually understand it. If I can quote the “member for Tim Tams”, these were unintended consequences.

Withdrawal of Remark

Hon MARTIN ALDRIDGE: Madam President, the member has not served in this house for a while, but it is disorderly to call members by any term other than their name.

Hon ALANNAH MacTIERNAN: I accept the member’s comment and I withdraw, but I have to say I found it most interesting that the Leader of the Opposition’s greatest regret about his time as Minister for Education and Training was that he was unable to introduce free Tim Tams for the tea ladies.

Debate Resumed

Hon ALANNAH MacTIERNAN: I want to go to the essence of what the Leader of the Opposition was saying to justify why the opposition said one thing then and has been saying the completely opposite thing now. He said that there were unintended consequences, but he has not actually outlined any unintended consequences other than those things that were always going to be very obvious consequences for the budget—that the provision was going to take revenue and remove new and existing registration exemptions and stamp duty exemptions. That is what it was all about—to describe the very essence of how the provision and the budget item worked and then to say, “Oh, my God; it’s an unintended consequence.” Not only was the then Minister for Aboriginal Affairs asleep at the wheel, not knowing what was going on; obviously, the Minister for Local Government and all the rest of the ministers presiding over that budget also had absolutely no idea what went into it. I can tell members that I understand it. Some highly understandable arguments have been raised here, but, at the end of the day, we are in a massively difficult situation. As the honourable Leader of the House said, this is a very vexed process. We are going through the budget line by line making hard, deep and difficult decisions. This is not easy and it is not a good time to be putting together a budget and trying to bring our economy back from banana republic status.

I urge the opposition to at least have some credibility and to learn the lesson the community gave it at the last election—that the community does not want fiscal banditry; it wants fiscal responsibility. I ask the opposition to please reconsider the reckless measure it is proposing and to support the regulation that it introduced and said was absolutely necessary as part of the budget repair exercise.

HON SIMON O'BRIEN (South Metropolitan) [3.13 pm]: I have been listening to this debate with great interest and weighing the merits of the arguments that have been raised on both sides. I would like to provide some conclusions that I have drawn on the merits of this argument that I hope members will listen to and take note of. I also want to respond to some of the matters that have been raised in the course of this debate that need responding to as part of this debate.

Firstly, in relation to the latter, we have had some very strong assertions and counter-assertions—indeed, almost fulminations—about matters relating to the management of the house, the traditions of the house, the cutting asunder of traditions and the breaking of precedents, and so on. If they are to be raised in the course of debate about this matter, I am going to address them, because there are some things here that members all need to understand if this house is going to function properly.

With regard to the management of the house, there is a long history that can be quoted selectively if people are of a mind to do so, and we have seen some selective memories, or selections from history, in the course of this afternoon’s debate, and I want to set the record straight on some of that. It is not just the honourable Leader of the House channelling her inner Norman Moore when she —

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Hon Sue Ellery: I'm a great admirer of him; you know that!

Hon SIMON O'BRIEN: I know the Leader of the House is, and that is why she was channelling him and quoting him—at some volume!—about those who would dare take, in the Leader of the House's words, the management of the house out of the hands of government. I have heard Hon Norman Moore, under two separate governments—once in the government of Richard Court and once in the Barnett government—speak in similar terms about the outrageousness of members of the opposition wanting to take the conduct of the running of the house out of the hands of government, and sometimes he was actually warranted in doing so. But, just lately, that has not been the case. Incidentally, I also remember hearing Hon Kim Chance, as Leader of the House, saying the same thing to Hon Norman Moore when Hon Norman Moore was Leader of the Opposition—accusing him of trying to take the running of the house out of the hands of government. One can be very selective about this.

With regard to this particular matter, we have evolved our standing orders, and Hon Sue Ellery was a key part and active participant in the process that gave rise to standing order 17, which, acting in concert with other standing orders, was intended to avoid these evils. Standing order 17(5) states —

A Member may move without notice that an order of the day or a notice of motion listed on the Notice Paper in the Member's name be made order of the day No. 1 or motion No. 1 on the Business Program for the next sitting of the Council. Any such motion shall be put without amendment or debate.

Hon Rick Mazza used that standing order in precisely the way that it was meant to be used. The system is working. With regard to this disallowance the key date clearly is 30 June, and there will be all sorts of complications visited upon local councils and all their ratepayers—that is, the entire population of Western Australia, unless otherwise exempt—if this matter is not resolved by then. In fact, if the government was being responsible, it probably should have allowed order of the day 1 to come on as order of the day 1 before today, rather than continually putting it off, putting it off, and putting it off; possibly in the hope of staggering to 1 July, collecting its money, and saying, “Phew!”

That is why Hon Rick Mazza is quite right to bring this matter to the house. The government wants to talk about the conventions of the house and how we conduct business. We have heard that the traditions of the house have been traduced on this occasion in a way that has never happened before, and that this standing order has been used on eight occasions, five of which were to bring forward a different motion rather than an order of the day. Let me tell members what the history of this really is. I spent my first four years in this place watching the then opposition act in concert with crossbenchers of like mind to do everything it could to frustrate the focus of the government and its legislative program—the business of the house. Hon Norman Moore used to assert, “You are trying to take the management of the house out of the hands of the government”, and he was quite right. There was no standing order 17; there was an equivalent standing order that I think, from memory, was about 128 or something like that. That does not matter. The point is that our current standing order is a non-debatable motion, as it should be. Hon Rick Mazza moved that this be the first order of the day for today's business, and the house, without any hold-ups, without any disruption of the management of the house and without any disruption or delay to the government's legislative program simply voted on it—the house. This house decided that this matter would be decided today. If the government thinks that it is bigger than this house, it is getting a bit above itself.

What used to happen, when the then opposition was not bringing matters forward and frustrating the government in that way, was that sitting day after sitting day the then Leader of the Opposition would come into this place and out of the blue, without any notice to the Leader of the House, would say, “Right, I move without notice that standing orders be suspended to allow us to debate how rotten the government is”, or whatever the issue was. The house would then spend about five or six hours debating whether standing orders should be suspended, and when we eventually got to a vote we might actually get on with some business. Then, at about 9.55 pm the Leader of the House would move that the house sit beyond 10 o'clock to deal with at least some item of government business. So do not tell us now that using standing order 17 and dealing with this disallowance motion today is somehow some sort of a travesty, because it is not.

I will move quickly through the other matters I wanted to respond to, because they need to be responded to. In relation to the traditions of the house, these allegations have been brought forward in pursuit of the Leader of the Opposition's argument on this motion. That is why I am responding to them now. We are told that various traditions of the house have been undermined. Looking at that, the one I have become aware of only today is that pairs were suddenly called off the other day without notice, or with 10 minutes' notice, apparently with the motive of frustrating the standing order 17 motion that had been advised by Hon Rick Mazza. It did not work because the Greens came and voted with the opposition and others, so the numbers were not there anyway. But that is what it seemed to be about. That is a far more serious matter when it comes to the traditions of the house and what we are being accused of.

All governments in Western Australia have been annoyed by having this house of review here, including that of Sir Charles Court—all sorts of people have; you name them. The old friend of members opposite, Brian Burke,

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was trying to get a matter through this house as Premier. He came and sat in that corner over there, summoned the Whip—I believe it was Hon Fred McKenzie in those days—and said, “Right, have you got the numbers?” The Whip said, “No, we’re a bit short.” Then they looked at the pairs situation and Burke allegedly said—this is folklore now—“Tell them pairs are off.”

Hon Sue Ellery interjected.

Hon SIMON O’BRIEN: The Leader of the Opposition wanted to introduce these matters into the debate, and I going to respond to them.

Hon Sue Ellery: Which I did in a very short period of time.

Hon SIMON O’BRIEN: Hon Fred McKenzie, the then government Whip—I hope the current government Whip is taking notice of this—said, “No, we’re not doing that. I have an arrangement with the opposition Whip, and that’s what’s going to stick.” I wonder whether any members opposite would have the guts to say that to Brian Burke?

Hon Sue Ellery: Oh, for God’s sake!

Hon SIMON O’BRIEN: I wonder whether any members opposite would have the guts to say that to Mark McGowan?

Hon Sue Ellery: I didn’t discuss it with Mark McGowan!

The PRESIDENT: Order! Hon Simon O’Brien, I appreciate you were trying to respond to those matters, but I perhaps might remind you to go back and focus on the motion that is actually up for debate today, and perhaps direct your comments back to the detail of that motion.

Hon SIMON O’BRIEN: Indeed I shall, Madam President. I thank you for your forbearance as I have sought to address the matters that have been raised in the course of the debate, that I, if no-one else, have been listening to and weighing up the merits of.

Let us come to the merits of that argument. We have heard accusations of hypocrisy shouted across this chamber today because the former government brought forward this regulation that is now the subject of a disallowance motion. You know what? It got it wrong. We know that from no less an authority than Labor Party members, whose attitude to this regulation seems to have changed dramatically as they crossed from one side of the house to the other in the course of an election. Yet they presume to accuse members here of hypocrisy. When it comes to this matter, I am capable of weighing up the merits of the argument and of sorting my way through the nonsense spoken. How would the government presume to know what my response would have been to a disallowance motion on this matter brought forward by the government? I have crossed the floor in this house. Have any members opposite? Would they? Would they have the guts? No. But I have, and I have done it. I remember on one occasion I was standing there with my good friends Hon Lynn MacLaren and Hon Robin Chapple, arms around each other as they started counting the votes. We were thinking: Jeez, I hope three is enough! We sang *Kumbaya* at one point! Sadly, we were just defeated, but we accepted that because that is the weight of numbers. I would never reflect adversely on a decision of the house, Madam President.

The PRESIDENT: No, I should hope not.

Hon SIMON O’BRIEN: But that is what I have done. This regulation is, in its substance, without merit; that is why it deserves to be disallowed. Not because, “You moved it or gazetted it”, or, “We were in opposition then but we’re in government now and we need the money.” No. On its merits it does not deserve to stand. That was portrayed by the remarks of the honourable Leader of the House and the honourable Minister for Agriculture and Food just now when they came to the substance of their debate, which was this: the Minister for Agriculture and Food was saying, “Look, we have an immensely difficult fiscal situation. We desperately need this money or else it’s going to be terrible.” The Leader of the House lectured us at some length about wrecking the budget. But then they undid their own argument through the words of the Leader of the House, who said, “You know what’s going to happen if we haven’t got access to this money? We’re going to take it out of other moneys that are given to local government for roads, for example.” It sounds to me like that is hardly a problem for the government in dealing with an immensely difficult fiscal situation. It is going to rob local government with the left hand, or if that does not work it will rob it with the right. Either way, the government is doing the wrong thing by local government.

It is the case that the former government brought forward this measure to raise money by denying local governments the concession on licensing that has previously been available to them, and that was wrong. It was wrong to do that and it should be undone; that is what this disallowance motion proposes. It is absolutely

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disingenuous of the government to suggest that this will wreck its budget because it has just told us that it will cut road funds for local roads. At least that will be a bit more transparent.

I can see this debate continuing—can members not? Nonetheless, the merits of the argument are quite clear. This needs to be disallowed and that is why I support the motion. Members on the government side do not seem to know what they are doing. In the past, they have told us this is an unnecessary—or whatever stronger word I can use—impost on local government, yet it has kept up with it. The government has fought tooth and nail and even tried to get rid of pairs. I will have a bit more to say about that when I have a greater degree of indulgence. Members opposite have a bit to learn, I can tell them. Where does the government stand now? It is defending what it previously opposed, and it is doing it for the wrong reasons. It fought tooth and nail to stop the matter being brought on before 30 June, but it failed. Thanks to this house of review, the government failed, so now government members are disappointed that their desire to rip off local councils has been frustrated. Frustrated it must be, and for all the good reasons, and others, that were advanced by the mover of the motion and others, I strongly support this disallowance motion.

HON MARTIN ALDRIDGE (Agricultural) [3.31 pm]: I rise to speak on this important and, at times, entertaining disallowance motion this afternoon. I want to talk about a few things that have been said in the debate and then address the regulations. I found it interesting that in her speech, the Leader of the House talked about hypocrisy. I did not think that the Leader of the House would bring it up, particularly given that since this Parliament has opened, she has been quick to remind us of who won the election, the mandate that the government has, the delivery of all the government's election commitments and then, in the last couple of weeks, we saw a big backflip on Perth Modern School. If she comes in and alleges hypocrisy to this house —

Several members interjected.

Hon MARTIN ALDRIDGE: I think members on this side of the house said to the Leader of the House that we would support her in reviewing her position, yet it is clear that the opposition does not have that same entitlement to review the positions it takes from time to time. The Leader of the House also talked about communication, which was rather interesting because I sit next to my friend the Leader of the National Party in this place, and she has had no communication from the Leader of the House about the management of this matter in this house. That is a rather interesting point.

Several members interjected.

The PRESIDENT: Order! Only one member gets to speak at a time and Hon Martin Aldridge has the go right now.

Hon MARTIN ALDRIDGE: It was an interesting point to make about communication. I was one of the members who was away on Thursday with a pair, attending to some medical business. It was not until afterwards that I found out my pair had been revoked. I went back and checked the division records in *Hansard* from last Thursday and I am recorded as not voting in the chamber. That concerns me. When people reflect on the record of this place, I neither voted for or against, nor was paired in the division. I think the display put on by the Leader of the House on Thursday will come back to haunt her during the term of this Parliament because it will be her and her government that will ultimately benefit from pairing arrangements, not us.

I rise on behalf of the National Party to support this motion to disallow the regulations. As members have said, this regulation formed a decision that was announced in the 2016–17 budget but it did not come into effect until the 2017–18 financial year. From listening to the contribution of members opposite, I would think that every budget and its forward estimates—this matter was ultimately in the forward estimates, not the budget year—that is brought to Parliament will be introduced in full on every occasion, without exemption, without change, variation or amendment. The government will bring in a budget and bills in September and it will make no changes whatsoever to those budget papers, forward estimates or any of the decisions that it announces during the budget process! If that is the bar this government will introduce, I will be very surprised. It will certainly be a very interesting process if the discipline the government is talking about means not being willing to revisit its positions or undertake further consultation, particularly when some decisions are made in cabinet and through Treasury, processes in which consultation often cannot be done to the fullest extent. I look forward to holding the government to account over the next four years on this new bar that it has now set.

I remember the now Leader of the Opposition, I think in my first budget process in this place, being quite frustrated by me when I questioned him about some changes in the budget that related to how we would charge the parents of school students who had 457 subclass visas in Western Australia. I did not think the government got that decision right. To his credit and to the government's credit, they went back and reviewed that position and changed it. I think that delivers a better form of government than this. I sometimes question: if we are never able to revisit something and are never able to change a position, as the Leader of the House clearly seems capable of doing, why

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do we have a Parliament? We could just have an executive government and it could make decisions while we sit in here like puppets and vote the way our parties tell us to.

The Leader of the House raised some interesting points about when people became aware of these changes. I understand that there may have been some awareness but I am not sure to what extent it was within cabinet. Cabinet deals with a very big budget with many elements. I do not think every cabinet minister would be aware of every decision that is made in the cabinet process. I think that would be the same regardless of who is in government. We heard a contribution from the Minister for Agriculture and Food. When we have the estimates process after this government finally hands down its budget, we only need to call on the Minister for Agriculture and Food because, clearly, she will know everything about her budget! All we need to do is call on her in the estimates process, and she will be able to answer every question on every policy and every decision, such is the contribution she has made in the house today.

Members would be aware that this regulation, if it were allowed to come into effect in the new financial year, would raise about \$5.6 million from vehicle licence fees. It would have a range of impacts, ranging from a very small impact to a very large impact—some in the order of 10 per cent. On top of the vehicle licence fees, stamp duty payments will also be affected. Being a member for the Agricultural Region, I think with the boundary changes we now have somewhere in the order of 60 local governments. Many of them have extensive road networks and very small rate bases. Particularly off the back of a number of natural disasters over the last 12 to 18 months, those local governments, particularly the smaller ones, are really struggling to do a range of things, and also respond to the significant impact of those natural disasters on their road networks. That includes some of the heavy rainfalls we had in just the last few weeks—as if what they experienced a few months ago was not bad enough.

The debate has included mention of the state road funds to local government funding agreement, which was struck at 27 per cent of vehicle licence fees being returned to local governments, although there were some amendments over time to cap it at a dollar value rather than a percentage transfer. It would be interesting to know what the impact would be on local governments if that was taken into consideration. Almost 25 cents in the dollar would be returned to local governments through that funding agreement. I first became aware of this issue late in 2016. The Leader of the House made a comment about who asked questions about this during estimates. To be fair, no member of this place asked questions about this issue during estimates, including members of the now government, because there was no awareness of it. The Western Australian Local Government Association certainly was not aware of it, and the first time that there was an awareness of this fee change was when local governments and the sector were written to by the then minister in December last year. I am happy to be corrected on that, but that is certainly my understanding of the situation and why it became such a hot issue over December and January, and leading into the election campaign.

Hon Darren West interjected.

Hon MARTIN ALDRIDGE: Although Hon Darren West does not say much these days, because I think he has been told to keep quiet now that he is in government —

The PRESIDENT: And I hope that you are not encouraging him.

Hon MARTIN ALDRIDGE: He will be held to higher account now that he is a member of the government and the executive. Certainly, his social media activity has declined and his contributions to this house have declined. It can only be with the aim of productivity gains.

This is a situation in which I do not think anyone can say, hand on their heart, that they identified this issue in the budget papers. The local government sector did not, local governments did not and members of Parliament did not. That is why this became an issue late in the piece last year when we had a budget in May, and the first awareness of this, in my view, was later in December. When I sought information about this issue, one of the arguments put to me at the time was that a review undertaken, I think, by Treasury—it may have been by the Economic Regulation Authority or some other government body—to look at the concessions applied to a whole range of people from the state government. This was one of the issues that it looked at. One of the points that was made to me was that Western Australia is one of only two jurisdictions in Australia, the other being Queensland, I think, that currently apply concessions to motor vehicle licensing for local government. In isolation, that fails to recognise a number of things in the Western Australian local government sector. One is the significant role that local governments play in the road network, particularly outside Perth. The majority of the road network is theirs; it is their asset. Their ratepayers maintain it, with assistance from various sources I should say. Local governments play a very active role in road maintenance because their roads are theirs. They are largely the owners of those roads, and I would have thought that for the majority of the time that their motor vehicles are spending on the road, they would be travelling on their roads, less so on state or federal roads. In fact, one of the local governments in

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my electorate, the Shire of Narembeen, has no state roads within its jurisdiction. There would probably not be too many local governments that could say that they have no state-maintained roads, or roads that are the responsibility of the state, within their local government area, but Narembeen is one. Let us assume for a moment that the majority of the Shire of Narembeen's light and heavy vehicles go backwards and forwards on the road network within the shire, with some exceptions—obviously, the people driving these cars leave their shire boundaries to go to meetings and other things. They would be paying a higher increase in vehicle licensing for travelling on the roads that they own and maintain.

Hon Darren West: This is your regulation.

Hon MARTIN ALDRIDGE: Hon Darren West has been saying the same thing the whole time. I know that he is not known for great substance, but he is welcome to jump up and make a contribution to the debate. I am not sure what value his contribution will be, but he is welcome to make one.

The PRESIDENT: Member, I will just remind you that your comments should be directed to me. You should not be trying to incite other members to interject on your debate.

Hon MARTIN ALDRIDGE: Madam President, if I may clarify, the member was interjecting and I was responding.

Hon Sue Ellery: No, you may not clarify.

Hon MARTIN ALDRIDGE: The last time I checked, the Leader of the House was not in the chair.

The PRESIDENT: Hon Martin Aldridge, you have the call; continue.

Hon MARTIN ALDRIDGE: Thank you, Madam President. I still have 32 minutes remaining, and I am happy to use more time if the Leader of the House would like me to.

Hon Simon O'Brien interjected.

Hon MARTIN ALDRIDGE: Since we have had a version of how the Leader of the House thinks the house should act today, clearly she has stood up and done otherwise in the address that she has given to this house. Anyhow, we move on.

If we are going to make a decision to remove concessional licensing that applies to local government vehicles, one of the things that we should also consider is whether it would not be fairer to remove the same concession that applies to the State Fleet because, after all, the State Fleet would be travelling on local and state roads?

Hon Dr Steve Thomas: And on local government roads.

Hon MARTIN ALDRIDGE: Yes; correct. If we wanted to apply the principle that everyone should pay their fair share for vehicle licensing, which ultimately goes into the maintenance of our road network in Western Australia, regardless of its ownership, and if local government should pay, I would have thought that the state government should pay. We are seeing that in other areas. The last government took some decisions on electricity tariffs and requiring state-owned departments and enterprises to move towards full cost reflectivity in the electricity tariff that is paid. If we are going to enforce full vehicle licensing costs on local governments, it would only be fair to do the same to the state, therefore increasing the amount of money that is available in the vehicle licensing pie. Although it would be hard to do the modelling unless we were Treasury, I think it would increase the return to the state and local governments for maintenance of the road network. If that were to be accepted as a principle, I think that we would have a stronger argument for charging local governments full vehicle licensing costs because, after all, they are owners and maintainers of a significant section of the road network in Western Australia.

I am quite happy with the position that we have got to. All members of Parliament should be able to review the decisions of their government, whether they are in government or in opposition. I know that this decision was to take effect in the 2017–18 financial year, for which a budget has not yet been handed down. We published a set of forward estimates about the things that we think we would achieve if we were still in government over the forward estimates, and this was one of the measures that was taken. But we are not in government. Members opposite are the government now and they need to make decisions for their own. I do not think that this outcome today would have been any different whether we were sitting on that side or this side of the house. Just as we took issue with a number of things whilst I was a government member, I believe this issue would have been pursued whether we were in government or in opposition. I detect that members opposite think we are doing this only to be spiteful and to be wreckers; we are doing this only because we no longer have responsibility for the budget outcome. The local governments in my electorate, particularly the smaller local governments, are more vulnerable. They have written to me and spelled out quite articulately the impact that this decision will have, if it is upheld, on their

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jurisdiction. It is not so much the mid-tier to the larger local governments; in fact, when I have met with them, they have not even raised it as an issue.

Two members of the government have spoken. I am still not quite clear what their position is on this regulation. If the government votes against this disallowance, it might like to consider how it may be implemented more fairly, particularly in light of every local government in Western Australia being quite different in its size, both geographically and in its road network, and also its financial capacity to maintain that road network. Perhaps a fairer approach, if the government supports cost reflectivity in local government vehicle licensing, would be to consider some sort of safety net that would provide for some of the smaller local governments in particular. As I said, two members from the government have spoken. Apart from yelling at us and one of them telling us that she knows everything about the budget, about which we will hold her to account in September, we are still none the wiser about how they are going to vote or what their position is on this regulation. We heard a lot about this matter from government members when they were in opposition. However, all we have had during this debate is silence, apart from some unintelligible interjections from a member opposite. I would be very surprised if Hon Darren West seeks the call to speak on this motion, because I think he has been gagged by his party.

I am very proud of the record that we left in government, particularly for local governments. When I meet with the Western Australian Local Government Association and local governments, they know that the end is near for support from this state government. From 2008 until the change of government, our government delivered, just through royalties for regions, \$1.3 billion directly to local governments in infrastructure and service assistance. Hon Dr Steve Thomas outlined quite well during the debate the costs that regional local governments in particular need to bear. These include the provision of health care, child care and aged care, and the provision of general practitioners. I do not think metropolitan local governments are required to provide these kinds of services. Regional local governments usually have lesser means to enable them to provide these sorts of services. However, they have to answer to their communities and try to find a solution to make their communities better places in which to live. I commend the motion to the house and indicate that the National Party will be supporting it.

HON ROBIN SCOTT (Mining and Pastoral) [3.51 pm]: I want to make some brief comments on this disallowance motion. I have been listening to the government and the opposition and I am trying to figure out what they are arguing about. It does not seem to be about this disallowance motion; it seems to be more about who is to blame for it. My electorate, the Mining and Pastoral Region, has a lot of small shires. The Shire of Meekatharra has only one bitumen road that comes from the south and heads north, and Cue has only one bitumen road—Great Northern Highway. Mt Magnet is lucky, because it has not only Great Northern Highway but also a bitumen road to Sandstone and Leinster. Wiluna has been waiting for 40 years to have the 184-kilometre road from Meekatharra to Wiluna bituminised. The former government said it would bituminise that road, but the new Labor government has said that is now under review. Last week, I had many communications with those shires, in particular the Shire of Sandstone. The Shire of Sandstone has approximately 150 inhabitants and covers an area of more than 32 000 square kilometres. It has to maintain over 1 000 kilometres of gravel road, with a fleet of 40 vehicles. If that local government has to pay licence fees, it will cost it more than \$37 000 a year. That money will have to come from its ratepayers. I have to let every member in this place know that these small shires are already struggling. A lot of members in this place are stuck in the metropolitan area. They have never had to travel on gravel roads that have not been graded properly. I have done that; I have spent 30 years on those roads, and I am very grateful to the shires for the maintenance that they have performed on those roads. Most of these shires just manage to scrape by each year. With all the bickering that we have heard today, it was comforting to hear from Hon Simon O'Brien that a few local governments are cuddling each other and singing camping songs. No local government in the midwest or the Pilbara is doing any singing and dancing at the moment. They are very concerned that their ratepayers will end up having to pay this added expense.

I hope that when members vote on this motion, they will consider what I have said and will do what I will do and support Hon Rick Mazza's disallowance motion today. Thank you.

Question put and a division taken with the following result —

Division

Ayes (20)

Hon Martin Aldridge
Hon Jacqui Boydell
Hon Robin Chapple
Hon Jim Chown
Hon Tim Clifford

Hon Peter Collier
Hon Colin de Grussa
Hon Diane Evers
Hon Donna Faragher
Hon Nick Goiran

Hon Rick Mazza
Hon Michael Mischin
Hon Simon O'Brien
Hon Robin Scott
Hon Charles Smith

Hon Aaron Stonehouse
Hon Dr Steve Thomas
Hon Colin Tincknell
Hon Alison Xamon
Hon Ken Baston (*Teller*)

Extract from *Hansard*
[COUNCIL — Tuesday, 27 June 2017]
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Noes (11)

Hon Alanna Clohesy
Hon Stephen Dawson
Hon Sue Ellery

Hon Laurie Graham
Hon Alannah MacTiernan
Hon Kyle McGinn

Hon Samantha Rowe
Hon Matthew Swinbourn
Hon Darren West

Hon Pierre Yang
Hon Martin Pritchard (*Teller*)

Pairs

Hon Tjorn Sibma
Hon Colin Holt

Hon Dr Sally Talbot
Hon Adele Farina

Question thus passed.