

**Extract from Hansard**

[ASSEMBLY — Thursday, 16 August 2018]

p4794d-4803a

Speaker; Dr Mike Nahan; Ms Libby Mettam; Dr Tony Buti; Mrs Liza Harvey; Mr Paul Papalia; Mr Mark McGowan

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**TOURISM AND EDUCATION SECTORS — GOVERNMENT PERFORMANCE**

*Matter of Public Interest*

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

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

**DR M.D. NAHAN (Riverton — Leader of the Opposition)** [2.57 pm]: I move —

That this house condemns the McGowan government for the ongoing damage its policy decisions are having on the tourism and education sectors, specifically its cuts to the skilled and regional skilled migration programs, and notes the complete inadequacy of its policy backflip announced today.

In my limited time, I would like to discuss international tourism. We have had a lot of discussions in this place about it, but it is important. Whilst all other states are experiencing rapid growth in international student numbers, Western Australia's numbers are declining. I will highlight the importance of the sector. It is the third largest export sector for Australia, earning \$22 billion. It supplies around 20 per cent of the funding for our universities, which are valuable and important institutions. It is a major generator of tourists to Australia. In the vicinity of a million tourists come to visit their children who are studying here. That is a rough figure. Also, it is a major bulwark for the housing market, particularly in the inner city and, importantly, it develops linkages with our neighbours back to where the kids come from. The best knowledge and links to friends overseas are those who studied here at some time. It is a fundamentally important industry. Historically, Western Australia led the way, particularly Curtin University. Curtin led the way, with RMIT University, in increasing the number of international students. During the boom, it was tough to get students to Western Australia because very high costs were involved, but policies were put in place and under the last three years of the Barnett government student numbers started recovering and grew each year. My colleague the member for Scarborough will raise that.

The McGowan government said that this industry is a priority. It is not a hard one to choose; it is obviously the third-largest industry in Australia. It is not hard to identify that it is important for growth, diversity, tourism and whatnot. One of the Premier's first moves was to take a large tour of people to China. China is a major market, so it is a sensible place to take a range of people from the industry; I have no problem with that. But they know a lot about the sector and they cannot be fooled about the policies. Taking people who already know the sector in China very well, having spent decades promoting themselves there, is a waste of time if the government has policies at home that work against it, and they know us very well.

The government has put in place three major policies—one it is putting in place now—that have contributed to the large decline in international students coming to Perth. The government will make the decline continue with its policies. The government did two things in immigration. First, it changed Perth from being defined as a regional city to a capital city. That was one of the first moves the Premier said he made. He also changed the eligibility criteria for immigrants coming to Western Australia from about 187 to about 17. That is what the government decided to do. When we raised this issue with the ministers, they said, "There is no relationship between immigration and foreign students." That just shows a profound ignorance of the sector. As a result, we are getting a substantial reduction in the number of foreign students coming here and all the reports are that they are skipping Perth and going to Adelaide and Hobart, which are regional cities. That was the government's decision.

Second, the government is putting a tax—a duty—on foreign owners of property. As we pointed out in the consideration in detail stage, international students on temporary visas were exempted from the restrictions on buying existing properties. They were allowed to buy existing properties and did not have to buy new properties if they used the property as a home as a personal residence and they sold it when they left. Anybody who is remotely knowledgeable about real estate, particularly inner-city real estate, and international students would know that it has been very common—indeed is one of the reasons students choose where to go—that the parents can buy a property through their children so their children have a place to stay while they are in school and maybe their younger brother or sister who follows them to it. Talk to any university and they will say that this is a fundamental competitive advantage, indeed a necessity, to attract students to Perth. The Treasurer said that every state has it. Well, every other states' property market is booming but ours. Ours is in the doldrums like never before. As a result, student numbers are going down, tourism is flat and real estate does not have a source of demand—it will not have it in the future—that has been important for every other place. It is the government's policies. Government members will not believe us, but the universities are saying this publicly now. Universities do not like to come out and criticise the state government, but they are. A quote from, I believe—no, I better not mention it; it was in *The West Australian* and members can read it themselves.

**Mr P. Papalia:** You just can't remember which one!

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**Dr M.D. NAHAN:** I remember it very well. The government is aware of the issue with foreign students and its immigration policies, but will it do anything about it? No. It is not just the universities; the City of Perth, StudyPerth and the Chamber of Commerce and Industry of Western Australia—one of the government's great friends—are telling the government to do something, but it is not doing anything. The minister and the Premier are in denial. As a result, the third-largest industry in Australia, which should be one of the largest industries here, is going downhill and declining because of the government's policies and its refusal to do anything about the issue. I understand that the government made an announcement today to focus on postgraduate students. That is nothing new; it has been done before. It would help the University of Western Australia, largely, because it has the highest percentage of foreign students in postgraduate courses, but the reality is that the international students sector is a volume game. It is a business. The fastest growth in many places has been in TAFEs, undergraduate and temporary non-graduate courses. That has been the trend for a long time, but the government is avoiding that because it cannot see it. As a result, we are losing out on foreign students, funding for our universities—some of those universities are struggling and the government is contributing to that—and tourism numbers, as my colleague will point out. Every international student draws in five visitors.

This is a very important industry and one the government identified. It was improving before this government came to office. The government put those immigration policies in place even though it was warned about them and it has denied that there is any relationship between its policies and the declining number of international students. As a result, those policies have had a negative impact on the industry. When the universities, StudyPerth and businesses tell the government that, the government ignores them. As a result, one of our major industries is in decline, with a loss of jobs, income and growth, and it is the government's responsibility.

**MS L. METTAM (Vasse)** [3.05 pm]: I would like to contribute to this debate. At what point will the McGowan government realise that removing student incentives is a failure of a policy that is costing Western Australian jobs? Just this week, London Economics commissioned a report by the Group of Eight universities that examined the economic impact of universities, research graduates and international students. The report found that for every three international students about \$1 million is generated into the local economy. This creates significant value because we know that international students spend significantly on transport, housing and entertainment. On average, international students host visitors to the value of \$1.4 million to our state during the course of their studies, further boosting WA's economy. Significant concern has been raised in the community about the changes the McGowan government has undertaken. Today we heard an announcement about high-achieving graduate students—PhD, masters and honours students—but this will do little to stem the flow of students bypassing WA for the other states. There is no detail in the announcement and very scant detail in the media statement about how many students this initiative will bring to WA, what list of occupations will be offered or the scope this scheme targeted specifically at postgraduate students will take. I suspect that this announcement has much to do with the shocking May figures on student commencements in this state announced recently, and what a poor reflection they are on this government's performance in international education. We have seen an eight per cent reduction in commencements over the last 12 months under this government, with commencements falling from 15 803 students to 14 506 in 2018. Based on these figures, 1 300 students have been removed, and we can assess from that 260 jobs from the local economy, and if we base it on Tourism Research Australia figures, that is a loss of 36 400 fewer visitors to our great state. The economic impact for WA of 1 300 fewer students is therefore about \$52 million in lost revenue and benefits to WA. That does not include the benefits from tourism. The total combined economic impact of this international education policy, including lost revenue from potential visitors to our state, would be about \$138 million. Two weeks after coming to government, the first decisions of the McGowan government were to remove Perth from the regional sponsored migration scheme, thereby removing the incentive for students to study here, and to reduce the number of jobs on the state's skills list from 178 to 18. That now means that WA has to compete against states like Queensland, which has 114 jobs on its skills list, and Tasmania, which has 161.

Specifically in relation to tourism, importantly this has an impact on the visiting friends and relatives market—a \$1.2 billion market for Western Australia. These students are bypassing Western Australia and going to the competing states of South Australia and Tasmania. I might add that Tasmania does not have direct flights, as outlined in the minister's answer to a question during question time. Another reference in today's announcement was to the \$2 million that the McGowan government is providing to boost the international education sector. Apparently, it is a bit of a sweetener, along with the postgraduate migration announcement. That is a far cry from the commitment made by other states. In comparison, Queensland has put \$37 million towards this area of promotion and Victoria has put \$35 million towards it. I point out that the international education sector is our single largest services export market. It is our third largest export industry after iron ore and coal. It is a significant contributor to not only the Western Australian economy, but also the Australian economy. It is being taken seriously by other states, and we can see that from the incentives they have put in place and the commitments they have made to promote international education. In contrast, what we are doing is pretty dismal.

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I point to the commentary from the Chamber of Commerce and Industry of Western Australia about the decisions made by the McGowan government. Chris Rodwell said —

One of the central reasons for the decline in WA is the decision the State Government took in reassessing its support for the regional sponsored migration scheme and designation of occupations on the WA skilled migration occupation list. WA now has only 18 occupations listed, whereas Queensland has 114, South Australia 172 and Tasmania 161.

That once again underlines what other state governments have recognised and what this state government has not. Phil Honeywood, the CEO of the International Education Association of Australia, is reported as saying —

“SA, the NT and Tasmania all celebrated when the WA government withdrew the regional migration points,” ... “They saw advantage coming to their state to the detriment of WA.”

It was well known during the mining boom that it was very expensive for international students to study in Western Australia. Limited accommodation was available and accommodation was relatively expensive. That was expected during the mining boom, given that business was hot during that period. In the years since, we have seen a lot of private investment in Perth and significant growth in the amount of accommodation, so that is less of an issue. There has never been a better time for international students to choose to study in Western Australia. Unfortunately, when students make that special decision to study, they look at the incentives provided by each state. It is quite clear that we cannot compete with Victoria, which promotes its state with \$35 million towards this effort, and Queensland. However, in the case of states such as Tasmania and South Australia, there is much that we can do to compete and get our fair share. It is unfortunate that the incentives for these students have been removed. There is little impetus for such students to choose to come to Western Australia when those incentives have been removed.

We know that most students do not seek permanent work afterwards, but we also know that it is an important consideration listed in the promotional material and is key to the decision to make Western Australia the place to study. In fact, StudyPerth has underlined that. StudyPerth’s QS Enrolment Solutions’ report found that 62 per cent of respondents said that they would choose a university with a high graduate employment rate over a high student satisfaction rate. It found that there was a significant awareness deficit for Perth amongst the prospective students and stated that employability was a key factor. Although most students do not stay afterwards, it is a major factor in selection. This government has removed that incentive.

As I said, international education is the third largest export industry. It is a \$33 billion industry and, at \$1.2 billion per annum, Western Australia is not getting its fair share. The announcement of \$2 million over five years to promote this program and international students falls well short of what other states are doing. We should not be surprised that we have had such shocking figures—an eight per cent reduction in international student enrolments, with 1 300 fewer students, and 36 000 fewer visitors to Western Australia. This is an opportunity lost.

It is incumbent on the government to take this issue seriously. We know that each skilled migrant creates 1.6 jobs. We also know that a healthy migration system is fundamental to good productivity in this state. The Liberal–National opposition opposes the decision to remove incentives for international students to study here. We know that one student correlates to five visits. It is essential for this government to rethink this decision for the benefit of tourism, small business, the higher education market and the economic viability of WA.

**DR A.D. BUTI (Armadale)** [3.20 pm]: I rise to contribute to the debate on this motion. It is interesting that the motion refers to today’s announcement by the government as a backflip. It is hard to see how it can be a backflip when the government has just announced a new initiative, so I am not sure where the backflip comes from.

I am keen to talk about the value of the policy announced by the government today, which seeks to encourage international students to come to Western Australia to get a research degree, whether at the honours, masters or PhD level. The Leader of the Opposition, like me, has a doctorate. I think the member for Struggle Street, the member for Cottesloe, also has a doctorate. It is interesting that the Leader of the Opposition seems to devalue research. He talked about how PhDs are not that important, because it is a numbers game. I will tell the Leader of the Opposition where I think he is wrong. PhDs are incredibly important to universities and to the overall economy. I am sure the Leader of the Opposition would agree that PhD recipients have the ability to provide great benefits and advantages to the economy. They are also very important to the development of a knowledge economy. We should always strive to improve and diversify the knowledge economy. As the Leader of the Opposition would know, people who obtain a PhD generally have very sophisticated problem-solving skills. Those skills include critical reasoning, thinking in depth, thinking from different perspectives, and having the flexibility to change according to the circumstances. Those skills are very important to an economy. Therefore, any initiative that seeks to encourage high-calibre international students to come to this state to study at the honours and masters level, and particularly at the PhD level, should be encouraged.

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The policy that was announced today is a great initiative. It will benefit not only the university sector but also the overall Western Australian economy. The Leader of the Opposition rightly talked about the importance of the university sector to the economy. He is right. It is very important part of the Western Australian and national economy. The research component is also incredibly important. A report released by the Group of Eight universities in Australia—which are the sandstone universities, of which one is the University of Western Australia—said that, in 2016–17, the sandstone universities contributed \$66.4 billion to the Australian economy in short and long-term benefits. It said also that every \$1 spent on research is worth \$9.76 to the wider economy. Therefore, this policy to attract and make it easier for international students to come to this state to do research should be encouraged and not derided by the opposition. As the former leader of the Liberal Party used to say, “Why are you so negative? Why are you so un-Western Australian?” Why is the opposition not supporting initiatives of this government that seek to improve the economy of Western Australia?

This initiative will be incredibly important for our universities. The research component of universities has an effect on their world-wide ranking. Was it Michigan University in Ann Arbor that the Leader of the Opposition studied at? That is a very good university. It is currently ranked twenty-seventh in the Shanghai ranking of universities. Two of the universities that I studied at are in the top 12, but I will not go on about that. The only university in Western Australia that is currently ranked in the top 100 is the University of Western Australia, at about 93. The next are Curtin University, at just over 100, Murdoch University at about 500, and Edith Cowan University. One way in which universities can improve their world-wide ranking is by increasing the research output of their academics. I know the Leader of the Opposition and the member for Cottesloe would understand this. Research students play an important part in the research output of universities. Therefore, if we can encourage high-calibre international students to do research in Western Australia, that will benefit the universities of Western Australia and increase their standing in the world rankings and thereby their ability to attract money to the university and therefore to the wider economy.

It is ridiculous to talk about this initiative as a backflip. This is a great new initiative by the McGowan government, announced today by the Minister for Education and Training. The opposition should applaud this initiative and stop being so negative.

**MRS L.M. HARVEY (Scarborough — Deputy Leader of the Opposition)** [3.25 pm]: I also want to contribute to this debate and put on the record some figures about the value of international students to our economy. The Group of Eight universities recently commissioned a report from London Economics on the value of international students to the Australian economy. It found that for every three international students, the flow-through into the economy is \$1 million. This government is in complete denial about what has been happening with the international student figures in Western Australia. This government is refusing to accept that it needs to reverse its decision to take Western Australia out of the regional sponsored migration scheme. That decision by this government has caused a drop-off in the number of international students, and that decision could be costing this economy up to \$959 million a year. That is what could be at stake here.

I want to refer now to some data on international student enrolment numbers. In 2014, between January and May there were 13 900 commencements, and between June and December there were 14 409 commencements. In 2015, under the Liberal–National government, in boom time, when things were expensive, between January and May there were 15 071 commencements, and between June and December there were 16 066 commencements. In 2016, the last full calendar year that the Liberal–National government was in office, between January and May there were 16 945 commencements. In the second half of the year, between June and December, that increased to 18 779. The rot set in at the start of 2017. What happened then, members? The Liberal–National government was turfed out of office in March. In March, while enrolments were still taking place at our universities, Western Australia was taken out of the regional sponsored migration scheme. In 2017, between January and May, the figures dropped to 15 828. In the second half of 2017, between June and December, the figures dropped again. That bucked what had been the trend in every state, and in Western Australia, forever. That is because of this government’s decision to take Western Australia out of the regional sponsored migration scheme. This government is in complete denial about that. The figures in Western Australia for student commencements fell by 8.2 per cent in the first half of this year. That is on top of a 6.28 per cent drop on the 2017 figures.

This is a serious issue. It is affecting our economy, jobs and employment. It is also affecting our tourism figures, because for every student who does enrol at one of our universities, we lose five trips from their family every year. It is no wonder our tourism figures are looking sick. Every other state, except for the Northern Territory, is doing better than us. This state is falling behind by 8.2 per cent. New South Wales is up six per cent, Victoria is up 7.8 per cent, Queensland is up seven per cent, Tasmania is up 5.5 per cent, South Australia is up 3.3 per cent, and the Australian Capital Territory is up a whopping 24 per cent. However, what do we get in Western Australia? We are behind by 8.2 per cent. We are dragging this nation back, all because of a stupid decision by this government. The government does not understand the importance of this scheme that it has cut.

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I come now to the flow-on effect to our economy of this drop in student numbers. I have outlined how the commencement figures have fallen off. However, those students might have been enrolled in a three or five-year degree program. Therefore, the enrolment figures for total number of students are now flatlining and decreasing. Enrolment figures flatlined in 2017 and increased by around 1.3 per cent. That is on top of the previous year, the last year of the Liberal–National government, when we saw a 12 per cent increase in overall enrolments. Now in 2018, total enrolments are down by 3.2 per cent, and that is going to drop, on top of the catastrophic decline in commencements. All we need from the government is a backflip. We know that it is pretty keen on backflips. The Minister for Community Services has backflipped on defunding community resource centres—terrific. We give the government a tick for that. We have seen a backflip from the Minister for Fisheries, who has finally started a SMART drum lines trial. We welcome that backflip. It is a good thing. How many backflips have we seen from the Minister for Education and Training? We have seen backflips on Perth Modern School, Schools of the Air, the gifted and talented program, the closing of Northam Residential College, freezing the intake of level 3 classroom teachers and Bunbury Baptist College. That is six backflips; we need lucky number seven from this minister. Reverse the decisions to reduce the sponsored occupations list and to remove Western Australia from the regional sponsored migration program and get the heart starter. Get the defibrillator out on our international student industry. The government should backflip on this one because it is an important one for our economy.

I will go over those figures again. Let us look at the flow-on effect to the community. For three students we generate \$1 million of flowthrough to our community. Not only have we seen a decline this year of 1 300 students, but also we have bucked the trend across the country of an overall 10 per cent increase in student numbers. Western Australia has missed out on 2 877 students because we have lost our share to the east coast, but we also have not been part of the growth internationally in this space. That is worth \$959 million to the Western Australian community. The government is arrogant and ignorant and is not prepared to revisit these stupid decisions when universities and the Chamber of Commerce and Industry are saying that it was the wrong thing. Ministers in other states are saying, “Please keep that in place because our economy is going gangbusters with international student figures because the Western Australian government is being foolish and stupid and not reversing its decision.” We implore the government to reverse this decision. Give us lucky backflip number seven from the Minister for Education Training or, better still, sack her and put someone intelligent in the job who does not make these stupid decisions that affect our economy.

**MR P. PAPALIA (Warnbro — Minister for Tourism)** [3.33 pm]: I have entered a parallel universe. I opened my eyes and I was being lectured —

Several members interjected.

**Mr P. PAPALIA:** I was being lectured on education by the former minister who increased TAFE fees by 500 per cent. The person who destroyed the TAFE sector in Western Australia is now lecturing us on strategies in education—wonderful! What a huge wealth of knowledge this former minister brings to the table—the person who destroyed the TAFE system in Western Australia by increasing fees by 500 per cent and driving students out of the sector. Forget about international students. What about the locals?

**Mr K.J.J. Michel:** Nothing.

**Mr P. PAPALIA:** There was nothing for Western Australian locals. She drove them away and imposed incredible costs on people who want to educate their children. She drove people away from the vocational sector and now she has the unmitigated gall to stand in this place and lecture us on anything associated with education. I note that she consistently repeated the notes in front of her that were given to her by somebody else. I guess it was not really much of a contribution and not that unusual because it sums up the extent of her capacity.

**Mrs L.M. Harvey:** You’re so arrogant and misogynistic saying that I can’t make my own notes.

**Mr P. PAPALIA:** She cannot. She had five dot points on which to attack the government and she had to stop each time and look down and read them. I am only saying what happened. I would like to use these notes, but I do not have to read every point to make an observation. I am capable of standing here and making an observation. Leaving aside the invalidity of any comment from the former training minister who increased TAFE fees by 500 per cent, let us delve a little deeper into the make-up of the statistics that are thrown across the chamber and are referred to so frequently. What is one of the biggest proportions of our international student make-up? What is one of those sectors that make us vulnerable? It is the English language intensive courses for overseas students—ELICOS. When we look at the breakdown, we see that the percentage of ELICOS students of our overall total in Western Australia is 24 per cent. The national average is 11 per cent. That means that the higher education component of our international student sector is not the component that has received a significant diminution in recent times. It is ELICOS.

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What are ELICOS students coming to Australia to do? Are they coming to study at university? Are they the people who make up the ELICOS sector? Are they the people whom the migration agents who are lobbying the opposition are servicing? No, they are not. They are the people who are coming to do the jobs that Western Australians could do. They are the people who are coming to do a course so that they can get a visa to do some work. Why would they drop off? What is another reason for them dropping off? Why might that significant proportion of our international students have chosen another state in recent times as opposed to Western Australia? Why would they have been coming during the boom but not when the boom is over? Why would that be? It is because international governments are looking for work if they are coming to do ELICOS. If they are studying to learn English and at the same time they are doing work, they are coming to the state that has work on offer.

But what happened to Western Australia under the Barnett government? What happened after the boom when the previous government failed to diversify the economy? No effort was put into any other sector. It sat back and enjoyed the benefits of the boom while the rivers of royalties just flowed in. What happened after that when it finally ended and the chickens finally came home to roost? What happened then? The word went out—four years of domestic recession. The word went out that there were no jobs in WA under the Barnett government: “Do not come here.” We do not rectify that overnight. We cannot snap our fingers and rectify the reputation that the former government imposed on us. The worst Treasurer in the history of Western Australia —

Several members interjected.

**The ACTING SPEAKER (Mr T.J. Healy):** Minister, are you seeking to take interjections?

**Mr P. PAPALIA:** Do I look like I am?

**The ACTING SPEAKER:** I believe that is a no. Opposition, please allow the minister to make his contribution. You have 13 seconds remaining to make a response in the future if you seek to. Please let the minister make his contribution.

**Mr P. PAPALIA:** The worst Treasurer in Western Australian history imposed a reputation upon our state from which we are still suffering. It is true in tourism. On the east coast, people still believe we are expensive and difficult because during the boom, no effort was made to change that perception. Post the boom, no effort was made to change that perception when the previous government had the opportunity. As thousands of hotel rooms rolled on to the market—predominantly at the top end of the market, pushing down prices, making us more affordable and ensuring that we were high quality because we had either new or refurbished products—and we had the highest quality hotel product in the country, nothing was done to market us on the east coast. The former government constrained Tourism WA with a budgeting system that prevented it from acting in a tactical manner and responding to weaknesses and threats and opportunities. As a consequence, it could not shift around money to market on the east coast and change the perception of other Australians.

For that matter, the previous government did not even have the capacity to perceive that it might actually have to focus on big markets. What are the biggest markets? As I said in response to a question from the member for Vasse during question time, the biggest markets, the biggest proportion of international students right across the country, come from China and India. What effort did the previous government put into education anywhere? Forget about China and India; it did not put in any effort at all. The former Minister for Education made a ridiculously ignorant comment in response to the Premier leading a delegation to China. The delegation included dozens of businesspeople and representatives at either vice-chancellor or deputy vice-chancellor level from all the Western Australian universities. For the first time, we managed to get all universities to collaborate with the state’s leadership to tell people in China that they should firstly choose Perth and Western Australia as their destination and then subsequently choose their institution. That was the first time ever that that initiative occurred.

At the same time, we launched a portal to market Western Australia, Inside the Great Firewall, through which parents and potential students can access information and receive immediate advice from the trade office in Shanghai. What was the response to that by the former education minister, who did nothing at all to market Western Australia to international student markets? He suggested it was a junket and could not believe that the Minister for Education and Training was going to China—the biggest contributor of international students across Australia. He criticised the education minister for going to tell the Chinese population that they should choose Perth and that we should be considered as a destination for international students. That was the extent of his contribution. What shallow knowledge that demonstrates. What a shallow understanding of the role of a minister that demonstrates. It was okay when the former government had rivers of gold from royalties and the mining companies did all the work for it; it sat back and told everyone how important it was. However, when it came to getting its shoulder to the wheel and creating opportunities when the downturn came, it was absent—missing in action.

I know this because I have been to China to talk to education representatives and tourism representatives—the people who sell our product in China. Surprisingly enough, I got the exact same response when I went to India

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a couple of weeks ago. Again, no-one from the previous government ever went there to talk about international flights. The single biggest thing we can do in the near term to encourage growth in international student numbers, tourist numbers and the leisure market is to create a direct flight from a new market. A massive proportion of the international students on the east coast come from China and India, yet we do not have a direct flight from Shanghai or from anywhere in India. Sydney and Melbourne both have direct flights from India, thanks to Air India and a lot of hard work by ministers and agencies in those jurisdictions. It took a lot of hard work and it took time. It was difficult, but they got there because they made the effort. The previous government did not even think about making an effort, let alone make the effort. It let us down. We are now following in the wake of all the eastern seaboard. We have five flights a week from China; thank goodness for China Southern Airlines. There were only three flights, but we managed to get them up to five, and thank goodness we got them up to five.

**Dr M.D. Nahan:** Direct flights don't affect student numbers.

**Mr P. PAPALIA:** Incredible ignorance demonstrated by the Leader of the Opposition, recorded in *Hansard*. He has no knowledge at all about what drives visitation of any type from those destinations. If a parent in Shanghai is contemplating where they might send their son or daughter, do members opposite think it might be a deciding factor if they are able to take them to the airport and farewell them, knowing that they will be getting off at the destination where they will be going to university? Does the Leader of the Opposition not think that would be a factor at all? Of course it is a factor.

Several members interjected.

**The ACTING SPEAKER:** Members!

**Mr P. PAPALIA:** Why else might that be, Leader of the Opposition? How do we get direct flights? There is a question for the Leader of the Opposition—something that he never thought about. How do we get direct flights? We get direct flights by negotiating with an airline to market the new route.

Several members interjected.

**The ACTING SPEAKER:** Members! This is a very important matter. Please let the minister continue his contribution. Minister, please speak through the Chair.

**Mr P. PAPALIA:** The member for Cottesloe might want to listen. We get direct flights by undertaking, in conjunction with the airline and Tourism Australia—hopefully we get it to contribute as well—to market the new route. In the event that we were to get a China Eastern Airlines flight from Shanghai, for the first time ever there would be marketing in Shanghai to say, “There’s a flight with a Chinese airline flying to Perth. Have you heard of that place?” Part of the marketing is elevating awareness of the destination. That is how we get the flight. That is the contribution we make as a state government. The Leader of the Opposition has no idea, and that is why we are lagging so badly.

When I went to India, what did I discover that they knew about Western Australia? I will tell members what they knew: that there is a bouncy wicket at the WACA. That was the extent of their knowledge. People in Delhi and Mumbai do not know much more about WA than that. That is what they said to me when I asked them what they had heard about Perth. How much has Tourism WA spent on marketing Perth in India? I will tell members how much: nothing—not a cent, not a shekel. We have not marketed Perth in India at all. As a consequence, what is the likelihood of Indian students coming here? They know about us because of friends and relatives. Fortunately, the third largest foreign-born population in Western Australia is Indian. That idiot in the Senate who made that outrageous speech the other day overlooked how important that market is to us and every other jurisdiction in this nation, including his own jurisdiction, Queensland. A significant proportion of foreign students there come from India. He might want to contemplate what he said in the context of the contribution Indian students make to the economy.

**Dr A.D. Buti:** A number of coalition Senators shook his hand.

**Mr P. PAPALIA:** That is disgraceful.

I digress; I will go back to the point. The point is that we do not have visibility. We have been fortunate enough to have had growth in visitor numbers to Western Australia of around 12 per cent every year for the last three years. The international student market is growing and is slightly bigger —

**Dr M.D. Nahan:** It's going down.

**Mr P. PAPALIA:** I am talking about India. The international student market from India is growing and has grown every year. The numbers in Western Australia are slightly higher than those for Chinese students, and that is a good thing. Nevertheless, this has happened in the absence of any effort by the former state government. I am making the effort now, and I am doing this to fix that. There is only so much mess and disaster left behind by the previous

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government that I can fix at one time. I am working on it. We are moving ahead to try to fix the previous government's mess. It cannot be done instantaneously.

As I said earlier, we have acquired a reputation as a consequence of the previous government's neglect. It was okay when the boom was on because people were still drawn here for work, but the moment the boom ended there remained only the reputation from the boom. No effort at all was made to change that reputation, to tell people that we were now more affordable and that work was still to be had. Unfortunately, the impression of Western Australia conveyed overseas by the Leader of the Opposition as the former worst Treasurer in the history of Western Australia was that we are expensive and difficult and that there is no more work here because we had four years of domestic recession. Thank goodness a new government arrived in March and we are rebuilding a different reputation. We are rebuilding a reputation of being a responsible government and providing opportunity, as is recognised in the unemployment statistics. The participation rate in Western Australia is extraordinary, which is a demonstration of confidence in Western Australia. They have got the message. The message will get out there and will be conveyed more forcefully when we are talking to the market. We will start marketing Perth and Western Australia generally, but also to potentially grow the number of international students. We are marketing already. We have made the change in China. We are pursuing direct flights, but in advance we are marketing aggressively. What happened to the Chinese tourism market in the last year? It has seen 18 per cent growth. The number has gone up where we have put in the effort. Unfortunately, there has been a decline in tourism from the United Kingdom, Germany and New Zealand. What might have driven that? The boom would have drawn people from those nations to participate or visit friends and relatives who have come to Western Australia.

**Dr M.D. Nahan** interjected.

**The ACTING SPEAKER:** Member!

**Mr P. PAPALIA:** Now it is post-boom and members opposite have hung a reputation around our necks for being expensive and difficult and having no jobs, so people go home. We are going to fix it but it will take time.

**MR M. MCGOWAN (Rockingham — Premier)** [3.51 pm]: I am pleased to be able to speak on this matter of public interest, but I note that it is being held on a Thursday afternoon. Is that not unusual? Why is that? Ordinarily, it is on Tuesday, and if it is not on Tuesday, it is on Wednesday. But now it is Thursday! I am looking around for a flicker of interest anywhere. I look at the opposition and at various points of time there were four of them there for their own MPI. The entire National Party is nowhere to be seen, which, to be fair, is not unusual. I think its members spend most of their time lying on the couch. That is their modus operandi. Two out of the five members were in question time today and during the course of the week they averaged about two. We all noticed that.

**Mr P. Papalia:** What are they being paid for?

**Mr M. McGOWAN:** What are those National Party members of Parliament being paid for?

I hear a whisper that we are dealing with this MPI —

**Mr A. Krsticevic:** You've got four there listening to the Premier speak!

**Mr M. McGOWAN:** It is the opposition's MPI. Maybe the opposition's MPI is so poor that I cannot even rustle up interest amongst my own members to be here. It is hard to get them in when the opposition's MPIs are so bad. I heard a whisper that this is being debated on a Thursday afternoon because the opposition put it in too late yesterday afternoon. Members opposite put it in at 12.30 and said, "That's close enough, isn't it? The standing orders say the deadline is 12 noon. Let's submit it at 12.30. That's good enough!" That is what happened yesterday. Of course, on Tuesday members of the Liberal Party were so busy proclaiming loyalty to one another they completely forgot about the MPI. They were so focused on themselves that they completely forgot about the Western Australian Parliament. They were out marching around. Do members remember that day? The Leader of the Opposition snuck in the north entrance. Do members remember that? He came in the north entrance, but Channel 10 was there. "First at five" and first at the north entrance! They were waiting for the opposition leader and they got him. Good old Beau! Beau Pearson got you! I want that on the record. Good work, Beau!

I want to go over a few quick things for the interest of the opposition. Unemployment figures have come down today that show that 35 000 jobs have been created whilst this government has been in office. Huge growth has been seen in the number of people in full-time work, which is 13 000 additional people.

**Mr S.K. L'Estrange** interjected.

**Mr M. McGOWAN:** Members opposite are such a rabble. On Thursday afternoon they have got some life back! It is a little bit late because no-one is watching.

Several members interjected.

**Mr M. McGOWAN:** I am all right.

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Several members interjected.

**The ACTING SPEAKER:** Members!

**Mr M. McGOWAN:** I am happy for no-one to be watching. I can live with it. I have wide shoulders. I can put up with it. I noticed one journalist was here for question time. That is how much members opposite have comatosed the journalists of Western Australia.

Western Australia's participation rate is the highest in Australia. I note that the Chamber of Commerce and Industry of Western Australia put out a very positive press release about our new graduate skilled migration list. I note also that the Leader of the Opposition described the CCI as our friends. That is good! I am friends with the CCI; I am friends with everyone. The Leader of the Opposition seems to like to make enemies everywhere. That is one of his issues. "Make enemies everywhere!" is his motto. We will see how that goes for him.

The CCI have put out a glowing report today about our policy. I want to talk about students because, as was noted by the Minister for Tourism, when members opposite were in government, they put up fees for TAFE students by up to 500 per cent for a whole range of courses. That is 500 per cent for young Western Australians wanting to go to TAFE. We saw a decline in the number of apprenticeships in Western Australia on their watch but the Deputy Leader of the Opposition made a 500 per cent increase in TAFE fees.

**Mrs L.M. Harvey:** It's not true!

**Mr M. McGOWAN:** It is true. The member for Scarborough said some very nasty things about Hon Sue Ellery. I think what she said in her speech was horrible and untrue, so I will point out her record. There was a 500 per cent increase in TAFE fees for TAFE students in Western Australia. What did we say before coming to office? We said that we were going to freeze TAFE fees. The way we are going to freeze them is to put in place a foreign buyer surcharge on property speculators from overseas who come to Western Australia and speculate on Western Australian property, as is in place in other states. We are going to use that to freeze TAFE fees in Western Australia. Today we saw the Liberal Party standing up for foreign property speculators and voting against our laws.

I tell you what—keep voting against it! We will keep reminding the people of Western Australia who your friends are. The Sultan of Johor is your friend! The member for Nedlands stands up for his good mate the Sultan of Johor. That is who the Liberal Party stands for. Keep doing it. We want you to. Keep standing up for those foreign property speculators and we will keep standing up for Western Australian families and Western Australian TAFE students while the Liberal Party is backing its foreign property speculator mates. While members opposite are doing that, we will keep backing Western Australians. We are more than happy to continue that argument. We will see what the opposition does on this issue.

*Division*

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

Ayes (13)

Ms M.J. Davies  
Mrs L.M. Harvey  
Mrs A.K. Hayden  
Dr D.J. Honey

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

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

Ms L. Mettam (*Teller*)

Noes (34)

Ms L.L. Baker  
Dr A.D. Buti  
Mr J.N. Carey  
Mr R.H. Cook  
Ms J. Farrer  
Mr M.J. Folkard  
Ms J.M. Freeman  
Mr T.J. Healy  
Mr M. Hughes

Mr W.J. Johnston  
Mr D.J. Kelly  
Mr F.M. Logan  
Mr M. McGowan  
Ms S.F. McGurk  
Mr S.A. Millman  
Mr Y. Mubarakai  
Mr M.P. Murray  
Mrs L.M. O'Malley

Mr P. Papalia  
Mr S.J. Price  
Mr D.T. Punch  
Mr J.R. Quigley  
Ms M.M. Quirk  
Mrs M.H. Roberts  
Ms C.M. Rowe  
Ms A. Sanderson  
Ms J.J. Shaw

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

Pairs

Mr R.S. Love  
Mr K. O'Donnell  
Mr I.C. Blayney  
Mr D.T. Redman

Mr P.C. Tinley  
Ms R. Saffioti  
Mrs R.M.J. Clarke  
Ms E. Hamilton

**Extract from *Hansard***

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Question thus negatived.